

Thursday September 17 1998

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# The Guardian

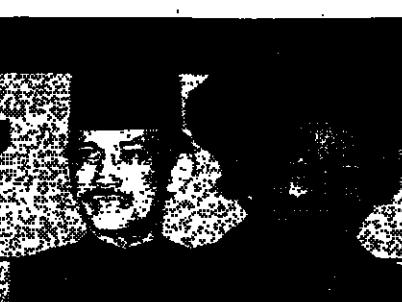
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NEWSPAPER OF THE YEAR

Royal flush

## Rich Queen, rich King

This section, page 6



Julie Burchill on shape and size

## Beware the fat police

G2, page 4



Internet crime

## Are the police taking liberties?

G2, OnLine pages 12-13

Police accused of racism after unlawful killing verdict

# No justice, no apology

Amelia Gentleman

**T**HE Metropolitan Police was at the centre of a new race row last night over its handling of a botched investigation into the suspected murder of a black man, found burning in a London street, after an inquest found that he had been unlawfully killed.

Michael Menson died of multiple organ failure caused by his burns in February last year. Despite his repeated claims that he had been racially attacked, police initially assumed he had set fire to himself in a suicide bid, and failed to launch an investigation.

Scotland Yard has since admitted in a letter to the Menson family that senior officers made serious mistakes, but has made no apology. After an internal review, three of the four officers concerned — an inspector, a detective inspector and a detective chief inspector — have retired or are on the point of retiring, making them immune to disciplinary action.

A police spokesman said the fourth had been "given advice", adding that no further disciplinary action would be taken against any of the police involved.

No apology has ever been made to the family.

After the inquest yesterday, John Townsend, a deputy assistant commissioner, expressed his "regret" that the police had initially assumed that Mr Menson had set light to himself. He said he regretted the officers' decision to retire because it meant he was unable to decide whether they should be disciplined.

Mr Menson's relatives believe the flawed investigation reflects racist prejudices inherent within the force. They plan to take the case to the Police Complaints Authority in the hope that "no other family will be so ill-served by the criminal justice system".

Suresh Grover, a spokesman for Stephen Lawrence's family, said after the hearing that there were "uncanny similarities" in the way the police had handled the two cases — particularly their failure to investigate racism as a factor, and their defensive behaviour towards the families of the victims.

"What is particularly depressing is that during the Stephen Lawrence inquiry, the police apologised and promised that nothing like that would ever happen again — meanwhile this was going on," Mr Grover said.

Michael Menson, the son of a Ghanaian diplomat, was found wandering naked in the early hours of January 28 1997 — his clothes burned

from his body and his flesh still smoking — close to the North Circular Road in Edmonton, London. Witnesses said he had horrific burns to his back, thighs and buttocks, but he was well enough to tell the first police officer on the scene, WPC Johanna Walsh, that he had been attacked.

Despite this information, she and her colleague, DC Jim Dunn, assumed he had set himself alight and did not seal off the area or treat the incident as a crime.

It was only 12 hours later, when Mr Menson's brother Kwesi told the police that Michael had described being attacked by four white youths, that the police opened an investigation. Meanwhile forensic evidence and potential witnesses had disappeared.

In the 16 days before his death, Mr Menson, aged 30, told nine people that he had been attacked. His evidence was contradictory — and he claimed on one occasion that he had set himself alight — but several times he referred to four white youths whom he believed had set fire to him.

Officers did not interview him in hospital, even though he was lucid for much of the time. Instead, the coroner had to rely on notes made at his bedside by his brother.

Police later took statements from some 200 people, but were unable to find anyone who could offer any concrete evidence about how he died.

Mr Menson enjoyed success with the band Double Trouble in the 1980s, but later began to suffer from depression. He was diagnosed as schizophrenic and was living in supported accommodation at the time of the incident.

Despite this illness, two psychiatrists told the inquest that it was very unlikely that he would have tried to kill himself.

Two forensic scientists and two pathologists testified that the nature of Mr Menson's burns, which were restricted to his back, made it almost inconceivable that he had set himself alight.

The Menson family are bitter not only about the police, but about the way they were treated during the inquest.

Kwesi Menson said he felt his family had been on trial. "The coroner suggested in his summing up that I was in collusion with my family to produce the notes which I made by Michael's bedside," he said.

"Mike was a peaceful man who troubled no one. I feel disgusted that the system failed him so badly."

Mr Menson's sister, Essie, a paediatrician at the Royal Sussex County Hospital in Brighton, said: "I've never heard of a serious investigation which makes so little effort to talk to the person who has been attacked."



The Menson family display a photograph of Michael at the inquest in London yesterday

PHOTOGRAPH: FRANK BARON

**'Mike was a peaceful man who troubled no one. I feel disgusted that the system failed him so badly'**

Michael Menson's brother, Kwesi

Clinton: the people don't want me to resign

# Clinton: the people don't want me to resign

Martin Kettle in Washington

**A** DEFiant Bill Clinton last night called on the United States Congress not to get "mired in all the details" of his affair with Monica Lewinsky and defended what he described as his "brutally honest" admissions of moral wrongdoing.

In his first public comments since the publication of the Starr Report last week, Mr Clinton said that the American people did not want him to resign and told journalists: "I have said for a month now that I did something that was wrong."

He added: "I want to work on my family and work for my country."

Asked whether he had the moral authority to lead his nation, Mr Clinton replied: "That is something you have to demonstrate every day."

Mr Clinton was speaking at a State Department press conference with Czech president Vaclav Havel, who became the latest international leader to visit Washington and then have to look on as the local media displayed their preoccupation with the president's sex life.

Mr Clinton's latest remarks came as the Republican majority on the House of Representatives judiciary committee drew closer to releasing the videotape of the president's August 17 testimony to independent counsel Kenneth Starr's investigators.

Members of the Republican Party's closed caucus meeting on Capitol Hill applauded when Speaker Newt Gingrich announced that the House would make public most of the unpublished material supplied by Mr Starr last week, including the Clinton videotape.

Mr Gingrich said the material should be published because Mr Clinton is still continuing to argue that he did

not lie in evidence to Paula Jones's lawyers when he denied having a sexual relationship with Monica Lewinsky.

Mr Gingrich's comments and the determination of most Republican legislators to press ahead with publishing the embarrassing video came after some members of the party cautioned that conservative supporters did not want the party to publish sexually explicit material, even if it would humiliate their greatest political enemy.

"There are a lot of salacious details that do not belong in the public domain," Congressman Steven Buyer told the meeting.

Judiciary chairman Henry Hyde said yesterday that the committee will meet in private today to determine exactly what material to make public.

Mr Hyde and other senior Republicans have decided in several meetings this week that they will press ahead with the impeachment process and will not respond to suggestions of a compromise, such as a censure motion.

Clinton crisis, page 7; Roy Hattersley, page 8; Letters, page 9



## Nurse to get thousands for 'Saudi jail hell' book



Lucille McLauchlan: wants to 'set the record straight'

Gerard Seaman

**L**UCILLE McLauchlan, the nurse convicted in Saudi Arabia of involvement in the murder of an Australian colleague, Yvonne Gilford, has signed a profitable book deal for her life story.

Mainstream, the book's publisher, refused to confirm much Ms McLauchlan, aged 32, from Dundee, has been paid, but it is understood to be a six-figure sum. The former nurse has already received about £100,000 for a newspaper account of her time in a Saudi jail.

The decision to publish the book was condemned yesterday by Labour MP George Galloway. He said it was a huge embarrassment to Tony Blair, who petitioned King Fahd to release Ms McLauchlan and her cell mate, Deborah Parry, aged 40, earlier this year as an act of mercy.

"I think it is disgusting that this woman should be allowed to profit once again from her crime," Mr Galloway said. "It turns my stomach that a respectable publishing house would buy her memoirs. Regardless of the other charges, this woman was caught red-handed, stealing money from her murdered colleague's bank account."

Ms McLauchlan's memoir, *Trial By Ordeal: One Nurse's Hell in a Saudi Jail*, is due out at the end of October. It will include an unedited version of her prison diaries and will attack claims made by Ms Parry since their release.

Ms McLauchlan was unavailable for comment, but her solicitor, W.G. Boyle, said she was entitled to put her side of the story.

"The reaction to this statement is being made on the assumption that Lucille McLauchlan is guilty," he said. "She maintains her innocence. The Saudi authorities have not furnished us with any evidence of her guilt and Lucille has never had a fair trial. The book will set the record straight."

Earlier this year a Saudi court sentenced Ms Parry to death over the murder of Gilford in December 1996. Ms McLauchlan, as her accessory, was sentenced to eight years and 500 lashes. They were freed in May when King Fahd commuted their sentences.

Although the nurses presented a united front in Saudi Arabia, they became embroiled in a public row on their return to Britain.

Ms Parry blamed her conviction on Ms McLauchlan's decision to tell the Saudi authorities that she had seen her stab Gilford. Ms McLauchlan says she did so only after being told that Ms Parry had made a written

confession, and that they both would be released.

It is understood that Ms McLauchlan uses the book to give her side of the feud.

She is due to go to trial in Dundee in December on charges of stealing a credit card from a patient and obtaining her job in Saudi Arabia by fraud.

In July, the Press Complaints Commission said that newspapers which paid the nurses for accounts of their time in jail had breached its guidelines, but had acted in the public interest.

Mainstream yesterday refused to comment on its decision to publish Ms McLauchlan's book.

## Inside

**Britain**  
Tony Blair's government proper at last — but is Peter Mandelson finding Trade and Industry a poisoned chalice?

**World News**  
Bosnian war: British troops are expected to be sent to Bosnia to help with the peacekeeping effort.

**Analysis**  
Tony Blair's government proper at last — but is Peter Mandelson finding Trade and Industry a poisoned chalice?

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Bath	Glasgow	Oxford
Birmingham	Guilford	Portsmouth
Bournemouth	Harrogate	Reading
Brighton	Isle of Wight	St Albans
Bristol	Kingston-on-Thames	Southampton
Cambridge	Leeds	Stroud
Canterbury	Liverpool	Swindon
Cheltenham	Manchester	Walsley
Chesham	Macclesfield	Widnes
Cirencester	Maidstone	Wokingham
Croydon	Nottingham	Worcester
Edinburgh		York

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# In G2 today: Julie Burchill on fat as a female issue.

Plus Mark Lawson. And is Nick Leeson fraud or working class hero? Plus European weather, Radio and TV on page 16

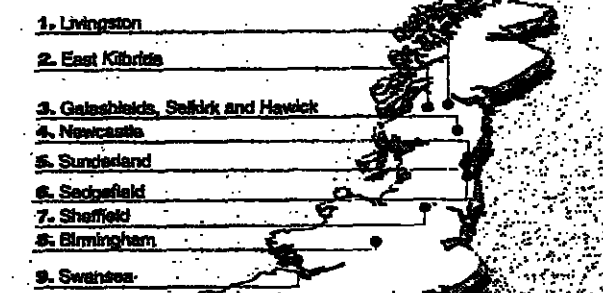


Mr Blair during his visit to the Fujitsu plant at Newton Aycliffe, in his constituency, which is closing with the loss of 600 jobs

PHOTOGRAPH: DAVID CHESKIN

## Main job losses

Summer 1998		
1. NESC (semi-conductors)	100	No enforced redundancies
2. Motorola (semi-conductors)	200	Restructuring
3. Viasystems (printed circuit boards)	1,000	Consolidation in England
4. Siemens (semi-conductors)	1,100	Factory closure
5. Vickers (Defence systems)	600	Factory threatened with closure
6. Grove Cranes	600	Plant closure
7. Vauxhall (Vauxhall)	600	Up for sale, jobs at risk if no buyer found
8. Fujitsu (semi-conductors)	600	Factory closure
9. Avaya (switching)	1,000	Reducing overheads
10. Rover Group	1,500	High pound blamed
11. Lucas Tel (Wiring systems for cars)	220	Reduced demand by Rover
12. BFI (furniture retailer)	1,500	Interest rates and low consumer confidence



# Upbeat Blair pledges help for jobless

Prime Minister warns of harder times ahead in country's industrial heartlands but blames twists and turns of world markets

Peter Hetherington and Mark Atkinson

**T**ONY BLAIR yesterday braved the wrath of voters facing the loss of 600 jobs at a tough warning of hard times ahead in the country's industrial heartlands as the world economic crisis bites deeper.

The Government could do little to influence the "twists and turns of world markets", he said, but it could cushion the blow by offering help to people thrown out of work. "We can do something to help the hurt ... to help people who I know will be determined to help themselves."

Visiting the Fujitsu microchip plant in his Co Durham seat 12 days after it was announced it was to close with the loss of 600 jobs, he hinted at more redundancies and factory closures caused by the international economic downturn. "Let us not kid ourselves — in certain sectors

there will be an impact," he said. But he cautioned against exaggerating the depth of the crisis, pointing out that job losses at Fujitsu, and the nearby Siemens microchip plant — where another 100 jobs will be lost — were symptomatic of overcapacity problems rather than heralding a recession.

His relatively upbeat assessment was supported by the latest jobsless figures. They showed that the number of people out of work and claiming benefit fell by 16,400 in August to a new 18-year low of 1,316,800 — 4.6 per cent of the workforce.

Despite the tightening Labour market, average earnings growth eased for the third successive month in June, rising by an annual rate of 4.7 per cent. City analysts said this could open the door for a cut in interest rates from the current level of 7.5 per cent if the economy is heading for recession.

The latest Labour market

data shows that while 27,000 manufacturing jobs were lost in the last quarter, other sectors — including banking, communications, and construction — remained relatively buoyant.

But manufacturing is suffering because it is exposed to the weakness of demand abroad caused by the high pound and the global financial crisis which began in Asia, spread to Russia and now threatens South America.

This has led to fears of mounting job losses in the country's old industrial heartlands over the coming months. In the North-east, the Department of Trade and Industry, headed by Mr Blair's constituency neighbour Peter Mandelson, is working against the clock to prevent Philips from closing two television tube factories in Durham and Sunderland, which employ almost 1,500. It has offered the Dutch electronics giant multi-million pound grants to develop a new wide-screen product.

During his visit to the Fujitsu plant at Newton Aycliffe, the Prime Minister told workers that the Government could help with a package of re-training measures and an extra £100 million for the soon-to-be-established North East Development Agency —

although critics claimed this cash had been earmarked for the region anyway. Fujitsu, opened in 1981, will be writing off a near £500 million investment. It has already stopped production. Siemens, which makes microchips on North Tyneside, will close at the end of the year.

Other companies are also struggling. Last week Japanese car maker Nissan, one of the largest overseas investors in Britain, warned of a severe profits slump at its Sunderland assembly plant, which employs more than 4,000 people.

In Sedgfield, Mr Blair took comfort from Fujitsu's spokesman, John Evans, who said the company was "reasonably optimistic" of finding a buyer who would be prepared to take over the plant as a going concern. "But he stressed that the problems of the world economy — highlighted again yesterday by the speculator George Soros — were temporary, rather than a fatal blow to globalisation."

Warning against the world lapsing back into protectionism, Mr Brown, the current chairman of the G7 industrial countries, told a meeting of Japanese bankers that the West should respond by accelerating plans for a new round of trade liberalisation talks, due to start in 2000.

Leader comment, page 12

Problems are temporary, says Chancellor, in call for IMF reform and 'bold and cautious' approach to capital markets

Larry Elliott in Tokyo

**T**HE Chancellor, Gordon Brown, yesterday unveiled Britain's blueprint for tackling the global financial crisis, with a call for a pragmatic approach to use of capital controls, reform of the International Monetary Fund and an urgent boost to growth in Japan.

In a speech in Tokyo, he said leading industrial countries and the IMF needed to learn from mistakes made during the past 15 months. But he stressed that the problems of the world economy — highlighted again yesterday by the speculator George Soros — were temporary, rather than a fatal blow to globalisation.

Warning against the world lapsing back into protectionism, Mr Brown, the current chairman of the G7 industrial countries, told a meeting of Japanese bankers that the West should respond by accelerating plans for a new round of trade liberalisation talks, due to start in 2000.

Japan — teetering on the brink of outright slump after three successive quarters of falling output — was the Chancellor's first stop on a visit to world leaders aimed at co-ordinating action to prevent the global economy plunging into a 1930s-style depression.

Mr Brown admitted that the process of liberalising capital markets had gone too far and too fast in the case of some developing countries, making them vulnerable to speculative attack.

"I continue to favour an approach to capital account liberalisation which is bold in concept but cautious in implementation," he said. "Bold in concept because open capital markets allow efficient use of capital and the transfer of technology and expertise, and have brought substantial benefits to industrial and developing countries alike in recent decades. But the need for caution in implementation is now clearer, and more impor-

tant than ever. Orderly liberalisation will require sound banking and financial systems and appropriate macro-economic policies."

"Without these ... countries will remain vulnerable to capital market volatility. We need to make clear the risks of moving too fast if these preconditions are not in place."

Criticising countries such as Malaysia which have embarked on a go-it-alone approach to capital, Mr Brown added: "Countries that embark upon unilateral actions as substitutes for reform and co-operation damage the prospects for their own economies and the world system."

"What is clear is that short-term capital flows can be destabilising and can disrupt markets when investors are insufficiently informed and educated, and institutions lack credibility."

But the Chancellor was also critical of the IMF, which has come under mounting attack for its role in handling the crises in Asia and Russia. "Given the key role that the IMF plays and continues to play, we must now find ways to improve the Fund's own accountability, to ensure that it performs its responsibilities in an open and transparent way that enhances confidence," he told the bankers.

"We need a systematic approach to internal and external evaluation of the Fund's own activities, including a new full-time valuation unit, inside the IMF, but reporting directly to the IMF's shareholders and in public, on its performance."

Turning to Japan, the Chancellor said the restoration of financial stability was a top priority to ensure that efforts to stimulate the economy were effective.

"It is vital that measures are taken to put the Japanese economy back on the path of sustainable growth. Japan has a particularly important role to play as the second largest economy in the world, by far the largest economy in the Asia region, and a key export market for the crisis economies."

"Japan is clearly not responsible for the Asia crisis, but Japan can be part of the solution," he said.

"That means using macro-economic policy tools to boost domestic demand and restore business and consumer confidence. The G7 has welcomed the efforts you have been making and the fiscal package you announced in August," he told the bankers. "The world economy needs an early return to growth in Japan and decisive action."

# Moment of Truth proves a comedown as Manics preach to converted

Review

Garth Cartwright

The Manic Street Preachers  
Kettering Arena

**L**AST Sunday the Manic Street Preachers entertained 10,000 Cardiff teenagers at Cooper's Field. They demonstrated a lightning not expected of Britain's most intense band when Everything Must Go became Bobby Gould Must Go — the Welsh football team's coach being even more vilified than Glenn Hoddle.

Later that evening 2,500 of the audience queued outside a Cardiff Megastore. At midnight the doors opened and there were the most famous Welsh band on the planet, signing copies of their new album. The release of This Is My Truth Tell Me Yours was quite an event. Manics fans study the songs as if they were scrip-

ture, and the 400,000 copies of Truth shipped this week will find homes among rock fans who love an epic tune and the disaffected who pledge allegiance to the band.

The Truth tour is among provinces that rarely see anyone outside of cover bands, male strippers and magicians. Kettering must have won-

dered what hit it. Inside the arena, the excitement reached near fever pitch before the band took the stage. All of which made the performance something of a comedown. The Manics are intense but neither particularly charismatic nor active on stage. Accompanied by a keyboard player who skilfully covers for

their elementary musicianship, the focus rests on guitarist and vocalist James Bradley. He may lack enigmatic presence, but his voice is an instrument of subtle beauty. He turns the abstract verse bassist Nicky Wire into a collective hymn. And this, perhaps, the key to the Manics' huge appeal. Here is a band

trying to position themselves in human history rather than rock history, struggling to feel more, to make sense of their time and place.

Stripped of the strings that decorate much of the new album, the Manics' sound was raw. Big drums, power chords, shrieking guitar workouts — anyone unfamiliar with the

Manics would have concluded they were a US hard rock outfit with a gifted singer.

If Kettering was little more than a rehearsal, the locals appeared not to mind. Instead they celebrated being, for one night, the centre of the Manic universe. This review appeared in some editions yesterday.

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مكتبة النور



# Six years on, a few billion poorer but the royals are still flush

Nick Hopkins in Brunei where a queen and a sultan meet again and put their problems behind them



A feast fit for a queen... the banquet hall in the sultan's £250 million, 1,788-room palace, which caters for 500 diners

THE meeting will be an intriguing match of reigning monarchs: the Queen, still one of the wealthiest women in the world, and a sultan who is even richer. The pair will meet today amid the splendour of Brunei's £250 million royal palace.

Both are heads of state and defenders of their respective faiths, but while the Queen's political power has ebbed away inexorably since the 17th century, Sultan Haji Hassanali Bolkiah of Brunei still runs an autocracy.

Much has changed since the two monarchs last met six years ago, with the personal turmoil of the Windsor family being more than matched in recent months by the political and financial crises now affecting the sultan.

When he welcomes the Queen to his 1,700-room Istana Nurul Iman palace this evening, he can no longer claim to be the richest man in the world — at least two others have overtaken him, and there is every likelihood that he will drop further down the super-rich league with the onset of world recession.

The financial meltdown in Asia is thought to have cost the sultan up to a quarter of his fortune, with some reports suggesting he is now worth a mere £20 billion.

Enduring indignity with stoicism is certainly something the two monarchs have in common, and aides say the obvious friendship between them is based on a familiarity with each other's difficulties, as well as their responsibilities.

His position as absolute monarch and head of a petrimonial economy could be threatened if the extravagance of the last few decades

is not matched by restraint, though the people of Brunei are hardly the rebellious sort. Since oil was discovered in 1929, most of the population of the country, which covers only 2,223 square miles, has benefited.

Even with the sultan's profligacy, there has been enough money left over to ensure his 314,000 subjects do not have to pay income tax, and enjoy free health care and schooling.

The sultan has also been buffeted by the antics of his brother Prince Jefri, who went into exile earlier this year after it became apparent that he had frittered away millions of pounds operating a government-run building company, the Amedeo Development Corporation.

Prince Jefri has also been the centre of a series of lurid sex stories, with claims that his associates hired dozens of

women from America to join a harem of highly paid prostitutes at the royal palace.

As for the Queen and Prince Philip, the trip is a further chance to judge whether there is any substance to the royal family's claim that it wants to soften its image and become more accessible.

Buckingham Palace has stressed that the Queen will not just meet "the great and the good", but mix with "ordinary people" during her four-day stay. Although the palace was loth to elaborate, it is clear the Queen has been stung by criticism that she is too aloof.

Some of her appointments in Brunei are certainly Diana-esque: she will visit a health centre in Kampong Ayer, a village built on stilts in the Brunei River, and the giant Jame Asar Hassanali Bolkiah Mosque, which is

likely to have 3,000 worshippers.

But the itinerary shows that the Queen and Prince Philip still have the usual quota of state dinners and formal receptions, including a parade of the Royal Brunei Land Forces and the Royal Gurkha Rifles. They will be accompanied by the Foreign Secretary Robin Cook and his wife Gaynor — on her first official outing abroad.

Mr Cook will be determined to avoid any gaffes; last year his ill-judged remarks caused diplomatic rows during trips to Turkey, Israel and India.

The entourage has been extensively briefed on Brunei etiquette to avoid causing offence to the hosts. Yellow is the official colour of the sultan, and it is considered impertinent for anyone to wear it in his company. It is also rude to point with a thumb — it must be done with a thumb and a sneezing, shaking hands too firmly and crossing legs are all thought most impolite.

## Rich man's fancy

The Sultan of Brunei

Full name: Too long to mention here.

AKA: He can be addressed as His Majesty Sultan Haji Hassanali Bolkiah.

Titles: He is head of state and head of government. As a working monarch he is also prime minister, defence minister and finance minister. Not forgetting head of the Islamic faith, and keeper of royal custom and tradition.

Family: Two wives — Her Majesty Raja Isteri Pengiran Anak Saleha, and Her Royal Highness Pengiran Isteri Hajah Mariam. He has four sons and six daughters.

Wealth: Recent estimates suggest he has a £20 billion fortune.

Main residence: Istana

Nurul Iman, which is used for all state functions. Costing £250 million, it boasts 1,788 rooms, including a banquet hall to seat 500, and standing room for another 5,000. There are air-conditioned quarters for 200 ponies, and a fleet of 150 Rolls-Royces in the palace's various garages.

Other properties: The Sultan's family owns three of the world's leading hotels — the New York Palace, the Bel Air in Los Angeles, and the Plaza Athene in Paris. Prince Jefri, the Sultan's younger brother, is thought to have paid \$9.1 million for two adjoining properties in The Bishops Avenue, Hampstead, then spent another \$10 million combining them.

Other toys: The family owns an Airbus and a Sikorsky helicopter. Prince Jefri has a luxury yacht called Titi and two speed boats called Nipple One and Nipple Two.

THE controversial revamp of Radio 4 scheduled to be "fine-tuned" after listeners failed to give universal approval to the changes, the BBC admitted last night.

Radio 4 controller James Boyle, who bet his job on the success of his schedule by next spring, said he would reinstate the 9am news bulletin in response to listener complaints. The bulletin forms part of the flagship Today programme.

He also admitted that some quiz and panel shows scheduled at 1.30pm are not working. He will scrap the quiz two days a week in favour of feature programmes.

Initially, official figures showed Mr Boyle had gained 100,000 listeners, although they were listening for less time each week.

However, leaked figures for July showed that Radio 4 listening dropped by 10 per cent year-on-year. The 1.30pm quiz show suffered particularly, losing 20 per cent of listeners compared with the previous year, when the World at One and the Archers filled the slot.

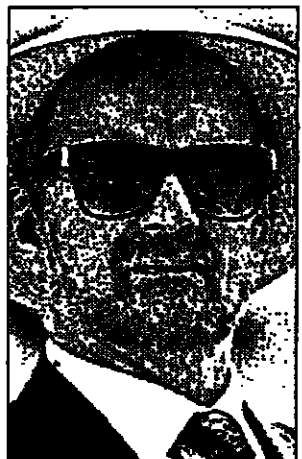
Mr Boyle, speaking last night to a meeting of the Voice of the Listener and Viewer, said: "Listeners have told me — and I agree with them — that the 1.30pm slot isn't quite right yet. So from the New Year we will be enriching the mix at 1.30pm by including features two days a week."

The 9am bulletin would return from October 5.

Mr Boyle's announcement came as the BBC yesterday pledged to "monitor" and "refine" the Radio 4 schedule as part of its statement of promises for the year.

The BBC's chairman, Sir Christopher Bland, said: "We've always said that the Radio 4 judgment shouldn't be over a short time... Only after a year of the schedule, when listeners are used to the new ship, will we be able to get the best clear idea of how it's working."

He did admit, however, that some aspects of Radio 4's listening figures were "a little disappointing".



Robin Cook, above, who is determined to avoid gaffes and, left, the Queen with the Sultan of Brunei

## English soaps don't wash in Italy

Drama turns to crisis as dubbers' strike hits TV and cinema releases

John Hooper in Rome

FOR viewers, said Lella Costa, it was "a real shock... a provocation". Indeed, the programme had scarcely gone out when the switchboard at the headquarters of the television group, Mediaset, was jammed by outraged callers. "We made our excuses," said a spokeswoman. "Most members of the public understood it was not our fault."

For the first time in the history of Italian television, afternoon viewers had been shown, not pornography or stomach-churning violence, but something apparently even more upsetting — a soap opera in the original English.

As a strike by dubbing artists, including Ms Costa, entered its third month and supplies of dubbed drama ran out, Silvio Berlusconi's Mediaset this week decided to

keep to its schedules by using subtitled material.

This is little short of revolutionary. Dubbing was first introduced in the 1930s by Italy's fascist dictator, Benito Mussolini, as a way of insulating the country from undesirable foreign influences. Initially, too, dubbing was welcome because of restricted literacy. Over the years, it has become what the public expects.

"A film with subtitles grosses 20 per cent of what a dubbed film earns at the box office," Maurizio Romano, of the dubbing artists' union, said yesterday.

A substantial industry has grown up around the Italians' desire to be protected from foreign speech. Rome, Milan and Turin between them have 160 dubbing firms, with 3,000 employees.

Most of the 400-500 dubbing actors and actresses work for rates of between 60p and 90p a line. But there have been

growing complaints that the smaller production companies have been ignoring the terms agreed with the main television networks and film groups. And the smaller companies' importance has grown with "outsourcing".

In July the dubbers opted to back their calls for a national agreement, by striking. Cesare Barbetti, the Italian voice of Robert Redford and Steve McQueen, said: "Apart from being more onerous, a national agreement would have to be complied with." In Italy, such deals are enforceable by the courts.

This week's developments were the first sign that the action was taking effect. Behind the scenes, though, distributors have had to cancel indefinitely the release of more than a dozen films, including Steven Spielberg's Saving Private Ryan.

Opinions were yesterday divided over whether Mediaset had found a way to break the deadlock. Paolo Ferrari, of Warner, said: "If we don't get an agreement by the end of October, we are going to ex-

periment with original-language films. Who knows whether the Italian public wouldn't like to hear the true voices of American actors?" But Stefano Munafò, the head of drama at the state-owned RAI network, which has decided against subtitles, said: "It is obvious that ratings will fall."

As the Turin paper La Stampa warned, the problems created by subtitles are particularly difficult to overcome in soaps. "The viewers who are keenest on this sort of output," it wrote half-jokingly, "are not accustomed to reading [at least not in the context of television], do not recognise the original voices and, above all, will be exposed to a massive and frightening dose of dialogue in English."

The challenges were fully evident during yesterday's tear-jerker on Mediaset's TCI channel. Viewers were expected to make sense, in a couple of seconds, of the Italian translation of the line: "The last time I saw you, Carrie was trying to explain why Reva was sleeping with Josh."

In the heyday of the Hollywood system, Louis B Mayer, head of MGM, kept a very strange chart on his wall. The chart kept a record of the menstrual cycles of the studio's leading ladies: Ava Gardner, Lana Turner, Grace Kelly. Julie Burchill on women and their bodies

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# TV soap to boost literacy campaign

f computer games and wall-to-wall television, any measures to encourage reading

A government source said: "Mr Alnsworth is being very silly. Does he think that the Home Office, when Kenneth Baker was home secretary, was wrong to use Brookside to raise awareness about the dangers of drugs?"

**G2 page 4**

# Adar clan jailed 7½ ye

# SAS sie

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Michael Papamichael, left, and Edward Wilkinson helped Adams with drug trafficking

## Adams crime clan leader jailed for 7½ years

Duncan Campbell and Vikram Dodd

**T**HE longest-running police operation targeting a single criminal family since the Krays scored a success yesterday, when a member of the notorious Adams family was jailed for 7½ years for masterminding a drugs empire.

Sean "Tommy" Adams, aged 40, was sentenced at Woolwich crown court, south-east London. The Adams family, dubbed by police as "worse than the Krays", are known in the underworld as "The Firm" or "The A-Team".

For over four years a special squad has investigated the family from north London, who have been linked to gangland killings and have dominated Britain's cocaine market.

Woolwich crown court heard that Adams ran his cannabis importation and distribution ring from the back of a black cab with the help of two school friends, who were also jailed yesterday.

Police planted covert listening devices in the cab and hotel rooms used by the three, capturing incriminating conversations between them.

After Adams, dressed in a tracksuit, was sentenced, he was led away from the dock laughing. His decision to plead guilty took many by surprise. Talks between the prosecution and defence barristers about a possible deal began on Monday. Even

though his sentence is the longest handed out to an Adams family member, he could be eligible for parole in less than four years, and has already served a year on remand.

Judge Michael Carroll, sentencing Adams, his sidekick, Michael Papamichael, aged 40, and Edward Wilkinson, also 40, another leading figure in the organisation, said they had run an illicit operation of considerable magnitude.

Judge Carroll told Adams, who lives in a £450,000 three-storey town house in King's Cross, north London, that he must forfeit £1 million he made from drug dealing within a year or face an extra five years in jail.

Papamichael, of Liverpool Road, Islington, north London, who along with Adams admitted one count of conspiracy to supply cannabis between June 19, 1996 and March 11, 1997, was jailed for six years. He was ordered to forfeit £70,000 within 12 months or face a further two years inside.

Wilkinson, of Inglebert Street, Islington, received five years after pleading guilty to the cannabis conspiracy as well as a further four years consecutive for one admitted charge of supplying cocaine.

The judge passed a 12-month concurrent sentence for possessing a .44 Magnum pistol without a certificate, to which he also pleaded guilty. A £30,000 confiscation order was made against him.

Prosecutor John Kelsey-Fry told the jury that "Adams was unquestionably the boss, the

owner and chief executive of The Firm, directing the other two defendants". The black taxi cab acted as a mobile operations centre for Adams. Bugged conversations, as part of a nine-month police surveillance operation, formed the basis of the case against him.

Mr Kelsey-Fry said the gang had made vast profits from moving drugs in quantities as large as 50-100kg a time. He told the court that evidence from the tape revealed that "the defendants disclosed they were involved in the large scale, wholesale supply of cannabis".

"By large scale I mean... tonnes, thousands of kilograms. By wholesale I mean supplying dealers with 50-100 kilograms at a time. It is clear they were right at the top of the chain, close to the importation themselves".

Papamichael was Adams' first lieutenant, said Mr Kelsey-Fry, and involved in collecting six-figure sums from buyers and keeping records of the gang's dealings.

The alleged exchanges revealed that Adams was the "chief executive" of one of Britain's biggest cannabis distribution networks, and his operation netted an estimated £2 million. They also revealed that he kept a .44 Magnum revolver in his mother's flowerpot.

Police captured Adams in an east London hotel as the gang was preparing to receive a three-tonne cannabis consignment. The drugs, from Turkey or Thailand, were shipped into Britain in metal



Sean 'Tommy' Adams, boss of the north London 'Firm' involved in drugs, gun running, clubs, boxing and minicabs

containers packed with garlic to thwart detection by sniffer dogs.

Outside court Detective Chief Inspector Philip Burrows, head of the special team from the National Crime Squad targeting the Adamses, said police could not trace any bank account in Britain belonging to Tommy Adams. "We think the gang dealt with offshore banks. The money trail has been disappointing in that we haven't recovered as much as we hoped to."

"Adams was certainly a member of the upper echelon of major criminals and we have proved that an untouchable stratum of criminal does not exist. It sends a clear message to anybody else - you can run but you can't hide."

Police dealt the Adams family another blow last month when they detained their

"senior lieutenants" in a series of raids.

Until now the family have been able to escape justice for the worst crimes of which they are suspected. They have been described as Britain's most active and powerful criminal family, with involvement in drugs, gun running,

West End clubs, bars, restaurants, boxing promotions, ticket touting and minicab firms. They grew rich in the 1980s when the drug trade exploded, with the Adamses heavily involved in importing cocaine.

Numerous attempts to infiltrate the family have failed. A

number of informers turned out to be double agents, passing information about the investigation back to the family.

They are also believed to have benefited from information from corrupt police. Scotland Yard is investigating allegations of involvement by

'The defendants were involved in the large scale, wholesale supply of cannabis. By large scale I mean... tonnes, thousands of kilograms. It is clear they were right at the top of the chain'

detectives about setting up and participating in crimes.

Members of the family routinely paid down strangers to see whether they had been taped with hidden microphones. "They were ultra-careful and suspicious," said one drug dealer who was asked to infiltrate the group and report back to the police.

Tommy Adams had earlier been acquitted of involvement in the handling of proceeds from the £36 million Brinks-Mat bullion robbery in 1983.

"You would never know he was a villain," said one of his associates yesterday. "He was always very generous, always putting his hand in his pocket when people were down on their luck."

Tommy Adams was known throughout north London for his involvement with the club Ra Ra at the Angel in Islington. The family had also been involved with the Turmills club in Clerkenwell, east London, outside which "Mad" Frankie Fraser was shot and wounded.

## SAS siege veteran killed himself

Hero of Iran embassy raid forced to quit army after writing book

**A**N SAS soldier who led the 1980 raid that ended the Iranian embassy siege killed himself after being forced to quit the army, an inquest heard yesterday.

The Rev Frank Collins, 41, was found slumped in the driving seat of a BMW car in a fume-filled garage with a copy of Tolstoy's novel War and Peace by his feet, the hearing was told.

The father of four had become "down and depressed" after he was forced to leave his role as army chaplain when he wrote his autobiography last year.

He killed himself at his co-writer's home after leaving a suicide message, entitled The Final Chapter on a laptop

computer, the inquest in Winchester, Hampshire, was told. Mr Collins left the SAS to become a vicar in 1989 after serving 16 years with the SAS. After being ordained he became chaplain of 23 SAS division in Hereford, and was later made padre of the Parachute Regiment.

But the inquest heard he was told to resign last September after army authorities became upset about his book, Baptism of Fire, published last October.

His wife, Claire, told the inquest that he became deeply upset when he left the army and did not know what to do with himself.

Mrs Collins said: "Becoming a chaplain combined his

religious beliefs and his love for the army."

"He signed a contract and he spoke to other chaplains about the book and he was told initially it would be fine. When he was finished he submitted the manuscript and they were quite happy with it."

"But he came out of the army in September 1997 because of the book. He was told that he would have to leave and he was told to resign."

Mrs Collins said the book was a financial success but her husband wished he had not written it.

"From then on he did not know what he was going to do. He was still in the church, but he had no plans. He was going to write another book but his heart was not in it."

Mr Collins was found dead on June 16 this year in his co-writer's garage in Stockbridge, near Winchester. A

post mortem revealed he had died of carbon monoxide poisoning.

Police discovered a laptop computer in the study, and printed, signed copy of a letter on the floor. Other documents included one entitled The Final Chapter, which his wife told the hearing "summed up some of his thoughts at the time".

Mid-Hampshire coroner Graham Short recorded a verdict of suicide at the Winchester inquest.

Collins led the Iranian embassy siege in 1980 after which he was presented to the Queen. He was captured on live television wearing a balaclava and lobbing the first stungrenade through the window. He also served in Northern Ireland and was posted to the US, seconded to the SAS's equivalent, Delta Force.

## Winnie-the-Pooh sketch offered as a gift could be worth £15,000

John Ezard

**A**PENCIL sketch done more than 70 years ago, when Winnie-the-Pooh was merely a gleam in the eye of

an illustrator, has provided an unexpected surprise for its owner.

A woman from Clifton, Bristol, paid £10 for it 18 years ago. Now - in a programme recorded for next

Sunday's BBC1 Antiques Roadshow - she has discovered it is worth at least £15,000.

The sketch shows a Pooh with thinner legs and a more pointy nose than the mature bear, the copyright of whose stories is valued at £200 million by Hollywood. It was scribbled and discarded by the author A.A. Milne's illustrator, Ernest Shepard, before the first story was published in 1926.

"I don't quite know what it is, but particularly among Americans, it's like buying a piece of your childhood back again," the roadshow's specialist, Rupert Mass, said yesterday. "At least, I assume that's what it must be because they do pay the most astonishing sums."

Its owner, identified only as Anne, a woman aged 64, said she acquired it 18 years ago when she was asked to tea by Shepard's daughter, Mary Knox.

She asked me if I wanted to have a look at her father's sketchbooks and I fell in love with this one. It's as if Pooh is just an idea going through the artist's head. He has a much more pointy nose than Christopher Robin's bear," said Mr Mass.

Mrs Knox offered her the sketch as a gift. "I wanted to pay something for it so we settled on £10," said Anne.

The world auction record for a fully fledged Pooh drawing is £77,000. Recently two other drawings each fetched £87,500.

### Bangladesh Flood Disaster Appeal

Millions of flood victims all over Bangladesh need shelter, clean water, food and clothes urgently.

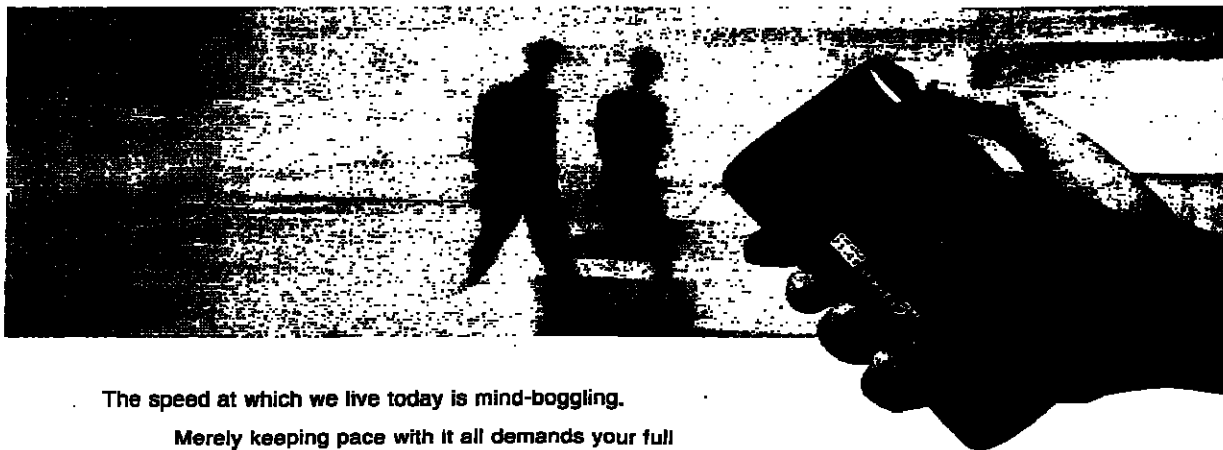
The monsoon flood has made people homeless, an urgent appeal is launched to save them from starvation and disease.

Please make generous donations to: Bangladesh Flood Disaster Appeal, Account Number: 11298032, National Bank, Upton Park Branch, 349 Green Street, London E13 9AB.

The Bangladesh Flood Disaster Appeal is run by Newham Bengali Community Trust, Registered charity No. 1041547.

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# Washington and people polls apart as Americans shy from judgment

**Public view/**  
A reluctance of voters to moralise is what will save him, writes Martin Kettle in Washington

IF IT was left to the press — British as well as American — and to most American politicians of both parties, Bill Clinton would have already packed his bags in disgrace and been on his way from the White House back to Arkansas.

But Mr Clinton remains in the White House and shows every sign of hanging on tenaciously to his presidency, even if Congress decides to launch an impeachment inquiry.

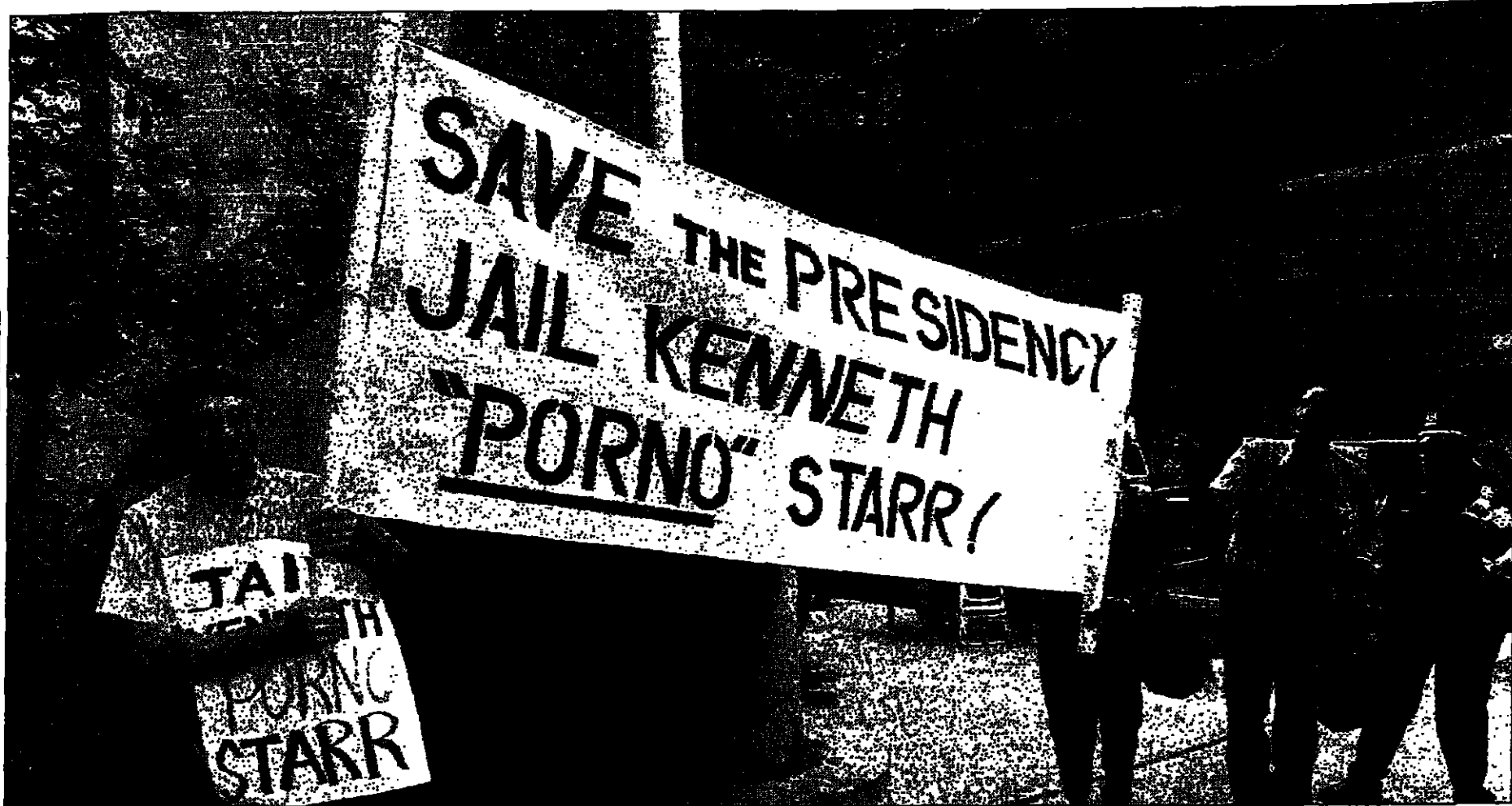
The principal reason for the president's determination, which strikes most of the Washington elite as increasingly perverse and destructive, lies in the public opinion polls. They continue to show that a clear majority of Americans believe Mr Clinton is a good president who should stay in office — whatever Washington says.

The polls published yesterday showed the same picture as their predecessors, a New York Times survey giving Mr Clinton a 62 per cent approval rating and a Gallup poll for CNN and USA Today giving him 63 per cent.

Both confirmed another robust trend: the public is opposed to a congressional impeachment by a margin of two to one. A similar majority favours a congressional censure, which would allow Mr Clinton to stay in office until the end of his term.

This preference for censure comes against the backdrop of a steady slump in Mr Clinton's moral standing among Americans. According to the New York Times poll, 66 per cent of his compatriots now feel that Mr Clinton does not share their moral values, and only 29 per cent think he does. When he was re-elected less than two years ago, the majority of Americans thought the president was on their moral wavelength.

The latest polling confirms trends which have been well-



Protesters in New York show their backing for President Clinton. Despite his problems, his approval rating in opinion polls remains more than 60 per cent. PHOTOGRAPH: RICHARD DREW

entrenched throughout the eight and a half months of the Monica Lewinsky crisis. Almost from the moment that the allegations first surfaced in mid-January, his ratings have stayed rock steady. Since the Starr report was published last week, they have risen slightly.

The White House's response to the polls is to claim that the people do not want Washington to take their president away. Even in a less-than-ideal political culture than that of the current White House, these numbers represent just about the one piece of consistently good news in the months of humiliation and deception.

In one sense the White House is obviously right. The American people are not as disturbed by the Lewinsky affair as Washington and the media. It is not that they are indifferent, as

the support for censure shows: it is just that they do not appear to take the whole affair nearly as seriously as the political and media class.

Whether this means, as the White House claims, that Americans are deeply committed to Mr Clinton staying in office is another matter.

After all, fewer than half these same Americans actually voted in the 1996 presidential election, an all-time record low. They are the electorate that is expected to stay away from the polling booths in record numbers for the mid-term elections on November 3. And in this week's primaries, which helped to select candidates for the November contests, turnout was spectacularly down.

It is a strange electorate which on the one hand demands through the opinion polls that Mr Clinton should stay in office while at the

same time displaying less and less involvement in the electoral process. It seems that today's employed, prosperous, contented Americans are not really interested in politics but, to the extent that they are, they will put up with Mr Clinton.

This is a shock to politi-

## Commentators, analysts and politicians are aghast that the public takes so little interest

cians. And to the media, who assume that their intensive reporting of the facts, issues and speculations is gripping the country. The polls, however, show that most people are not really that concerned. In the New York Times poll, fewer than one American in 20 turned out to have read the

Starr report in its entirety, and only half had read any of it at all.

Commentators, analysts and politicians are aghast that the public takes so little active interest in Washington's consuming passion for the latest fact and rumour. A poll in the Washington

Post on Friday — the very morning of the publication of the Starr Report — may help to explain why Americans are angry about Clinton's behaviour yet reluctant to punish him for his wrongdoing.

Three out of four Americans, the Post found, say that the Clinton-Lewinsky affair is part of a dangerous decline in moral values in America.

They link the affair to broader worries about declining respect for tradition and authority, and to the coarse content of modern pop music, movies, television — and newspapers.

But these same Americans are deeply reluctant to sit in judgment on Mr Clinton, preferring to sigh and shrug their shoulders about the affair rather than punish him for it.

The Post's poll mirrored the findings of a significant recent study of American life by the Boston University sociologist Alan Wolfe. In his book *One Nation, After All*, Professor Wolfe came to the following conclusion about American middle-class life at the end of the 1990s:

"Reluctant to pass judgment, they are tolerant to a fault, not about everything — they have not come to accept homosexuality as normal and they dislike bilingualism — but about a surprising number of things, including rapid transformations in the family, legal immigration, multicultural education and the separation of church and state."

"Above all moderate in their outlook on the world, they believe in the importance of leading a virtuous life but are reluctant to impose values they understand as virtuous for themselves on others; strong believers in morality, they do not want to be considered moralists."

Prof Wolfe completed his book before Mr Clinton's affair with Monica Lewinsky emerged. But his conclusions form an uneasy premonition of the public reaction to a scandal that Americans have resolved not to judge too harshly.

## New cast moves to centre stage for final act

Martin Kettle in Washington

GREGORY CRAIG is the most important of several new faces that have emerged from the shadows to play more prominent Washington roles in the wake of Kenneth Starr's report on Bill Clinton's affair with Monica Lewinsky.

As the lawyers Charles Ruff and David Kendall retreat into the wings, along with the spokesmen Rahm Emmanuel and Paul Begala, and the press secretary Mike McCurry, prepares to leave his post next month, a new cast is moving centre stage for the possible denouement of the Clinton presidency.

Mr Craig has known Bill and Hillary Clinton for more than 25 years, ever since they were all postgraduate students at Yale Law School. Following stints as Senator Edward Kennedy's chief foreign policy adviser and senior aide to the secretary of state, Madeleine Albright, he has been given the job of "quarterback" in the White House's campaign to deal with the mounting impeachment threat against Mr Clinton.

His job is to cut through the tangle of legalisms that has enmeshed Mr Clinton's survival strategy.

"He is very low key, very steady, very cool, very smart," Bill Carrick, a Democratic strategist, said. "He has a good mix of political judgment and savvy and legal judgment."

Mr Clinton will have a weekly meeting with three ministers who will provide "pastoral care". They include the Rev Gordon MacDonald, a Massachusetts clergyman who resigned from his post in 1987 after confessing to adultery.

The others are the Rev Tony Campolo, an outspoken liberal Baptist from Pennsylvania, and the Methodist minister Philip Wogaman, who preaches at the Washington church attended by the Clintons.

## ETA poised to announce a ceasefire

Adela Gooch in Madrid

THE Basque separatist group ETA is about to declare a ceasefire linked to talks on the future of the Basque country, where it has waged a 30-year campaign of violence for an independent state. The announcement could be made in the next few days, and is expected before the regional elections on October 25.

A Basque nationalist source said: "We are looking at a situation where a climate of non-violence would be created that would put social and political pressure on the main political parties in Madrid to set up a

formal dialogue process."

The Spanish government has played down the significance of a ceasefire, arguing that ETA has declared truces in the past and always broken them. "We have to be very careful not to fall into the trap," Ricardo Mari Xuxé, the security minister, said yesterday. "We've seen them in the past and they've always come to nothing."

The most recent ceasefire, in June of 1996, lasted a week and was not considered a serious gesture. Until now, hardliners committed to violence have always won ETA's internal power struggles.

But attitudes may be changing, prompted by a police

crackdown, government action such as shutting down ETA's newspaper, and the impact of the Northern Ireland peace process.

ETA's recent target has been the governing centre-right People's Party. In the past year seven local councilors have been killed, bringing the number of victims in the 30 years to nearly 800.

But independent Basque analysts say the period elapsed since the last murder, at the end of June, amounts to a tacit ceasefire.

"In the past ETA has always carried out a high-profile attack before the summer, followed by a more low-key campaign aimed at tourists over the holiday season, and then kicked off again in September," one said.

"We're seeing none of that. The elections in the Basque country are just over a month away and ETA isn't rallying its supporters with shows of strength but sending out messages that it is willing to think about peace."

The Basque regional president and the mainstream Basque Nationalist Party, the largest in the Basque country, began trying to find a way forward in July.

Heavily influenced by Northern Ireland's peace plan, they have tried to bring together all the Basque nationalist forces, including Herri Batasuna, ETA's political wing.

Last weekend the Basque Nationalist Party, Herri Batasuna, another smaller nationalist party, Euzko Alkartasuna, and Basque labour and social organisations issued a declaration calling for a two-pronged path to talks.

The first step would involve persuading ETA to declare a permanent ceasefire. That would be followed by a call to all the country's political forces to join in "open talks".

## Berisha denies coup but keeps his weapons

The former Albanian president may face charges, writes Owen Bowcott in Tirana

THE only people hard at work in the prime minister's imposing Italianate offices yesterday were the glaziers. Albania's corridors of power, blackened by smoke and pock-marked by bullets, were empty of bureaucrats.

The smell of charred state papers drifted into the pink marble foyer, where it disappeared quickly because almost every window had been shot out.

"Sali Berisha did this," an official said as he piled up incriminated documents. "There are no phones, no fax, no computers. They took everything."

After the attack by armed members of former President Berisha's Democratic Party on Monday, Tirana was trying to edge back towards what amounts to normal political life in Europe's poorest country.

"My computer is gone and my office looted," said Gramoz Pashko, an adviser to the Socialist prime minister, Fatos Nano.

Late on Tuesday the Albanian parliament considered lifting the political immunity of Mr Berisha and a handful of Democratic Party MPs.

But any attempt to arrest them could generate fresh violence.

Democratic Party members have defied a government deadline to hand over weapons, although none of the Kalashnikovs they used to defend the party headquarters were on display at a mass protest demonstration yesterday.

Two T-54 tanks seized on Monday were back in army hands.

Around 1,500 people took part in the protest march



The Albanian prime minister, Fatos Nano, makes a public appearance yesterday. PHOTOGRAPH: HECTOR PUSTINA

around Skanderbeg Square, which was led by Mr Berisha and passed off peacefully.

The marchers raised their arms in a two-finger victory salute, accusing the government of reinstating "communist dictatorship".

Earlier, Mr Berisha said at a press conference at his party headquarters: "This story about a putsch is the most ridiculous."

"The fact that we asked the president to change the government Fatos Nano interprets as a coup, but this is a very crazy interpretation."

"People will never accept a dictatorship again. Nor will I leave. This is my country."

Asked what he would do if the police tried to arrest him, he said: "I'm not impressed by that at all. I will continue my battle to the last moment."

He said he had ordered a national day of protest for Friday, adding: "We will continue with peaceful protests."

Minarulli VIII, one of the Democratic Party MPs whose parliamentary immunity may be removed, denied that the

protests amounted to an uprising.

He said: "This is not a putsch. We were interested in saving the tanks and the same goes for the radio and TV station. Some people wanted to destroy them but our members stopped them. When the state wanted the studios back, we returned them."

But such explanations have failed to reassure the international community, which has been desperate to shore up Mr Nano's government since he was elected last year to replace Mr Berisha.

The British embassy confirmed yesterday that the Foreign Office minister Tony Lloyd was one of several European ministers who telephoned Mr Berisha on Sunday to "express his fears about the situation escalating into civil war", and to plead for restraint.

The British embassy has been advising Britons in Albania to stay indoors and "keep a low profile".

Only Austria advised its citizens to leave.

## Britain backs down on the Yugoslav flight ban

Jan Black in London and Julie Wolf in Brussels

BRITAIN stopped opposing its European Union partners on an air travel sanction against Yugoslavia last night, saying it would join them in upholding a ban on flights to punish Belgrade for its crackdown in the Serbian province of Kosovo.

Robin Cook, the Foreign Secretary, announced the U-turn after earlier insisting — to anger and legal threats from Brussels — that Britain could not implement the ban because it would breach an agreement with Yugoslavia.

He said President Slobodan Milosevic had a worsening human rights record, which meant that "on moral and political grounds" he had forfeited the right to be given 12 months' notice of the ban on flights into the EU by the state carrier JAT.

"In the changed circumstances, we have concluded that it would be right to proceed with an immediate ban," Mr Cook said, apparently furious that a decision taken in his absence on holiday had brought controversy in Europe and criticism at home, including sniping yesterday from Michael Howard, his Tory shadow.

"That Britain should now be questioning even the limited measures which have been taken is an absolute disgrace," Mr Howard said.

EU ministers agreed the ban to punish Belgrade's bloody crackdown in the predominantly ethnic Albanian province, and Britain's original decision to delay implementing it was seen as a severe embarrassment.

Mr Cook, sensitive to criticism of his ethical foreign policy, insisted that Britain had taken the lead in acting against Belgrade, both as a

member of both the international contact group and the EU.

The announcement came on the day that the European Commission considered launching legal action against Britain for undermining the ban, which is implemented by all other EU members except openly pro-Serbian Greece.

In addition to the flight ban and a United Nations arms embargo, the EU has banned investment in Yugoslavia, frozen funds held abroad by the Yugoslav and Serbian governments, suspended export credit guarantees, banned the sale of repressive equipment, and barred visas for selected officials.

Jacques Santer, the Commission president, said Tony Blair had hinted at Britain's change of heart during a telephone conversation on Monday.

Officials attributed the change to strong pressure from Brussels and other European capitals.

"The British realised they messed up," said one Commission source.

Foreign Office officials conceded that a political decision had been taken to override legal advice that the sanction conflicted with another legal obligation.

Mr Cook had already been under fire in Brussels for failing to attend the informal meeting of EU foreign ministers in Salzburg 10 days ago.

Nato allies plan a UN resolution condemning the violence by Serbian forces in Kosovo and setting demands for Mr Milosevic to meet.

Nato officials said the resolution could authorise the use of force, but might not explicitly threaten intervention. Its aim was to show that the international community was losing patience and Nato was ready to use military options to back a political settlement in Kosovo.

## Long road to peace



THE 30 years of violence that have kept peace campaigners waiting:  
1956: ETA founded.  
1958: Bombs placed in Bilbao, Vitoria and Santander.  
1968: Kills first policeman.  
1973: ETA assassinate Franco's prime minister, Luis Carrero Blanco.  
1978: Secret talks open but lead nowhere.  
1987: Bombing in Barcelona kills 21 people.

1988: Three-month ceasefire offered in return for talks.  
1989: Formal talks in Algiers collapse.  
1992: Three ETA leaders arrested in France.  
1993: Car bombs in Madrid kill seven army officers.  
1997: Mass protests denounce murder of local politicians.  
1998: José Barriocano, former interior minister, jailed for "dirty war".



View from the 'coathanger' bridge

# Intoxicating vista opens up for sober Sydneysiders

Christopher Zinn on Sydney Harbour Bridge

AFTER years of scrambling illegally by night over the Sydney Harbour Bridge, paying climbers were officially given the freedom of the "coathanger" yesterday as long as they agree to be breath-tested.

Those who make the awe-inspiring walk over the famous span, which rises 440ft above the harbour, will be attached to safety lines to prevent accidents and deter suicides.

Everyone who forges out the A\$98 (£35) for the trip will be screened for vertigo, and given an all-enveloping boiler suit to stop them dropping anything on the traffic below.

"From up here even a pen could shatter a car windscreen," said Paul Cave of BridgeClimb, a businessman who has spent nine years convincing the authorities that the 400-step walk is safe.

"We think breath-testing is a great idea. We're taking every possible precaution, but there's no danger. The only risk is you'll want to do it again."

Yesterday, a windy but clear spring day, journalists were invited to climb to the top of the bridge, but unlike the public they were not prevented from taking cameras. Nor were they given safety harnesses or breathalysers.

The experience, even for Sydneysiders who have driven across the bridge hundreds of times, is exhilarating. The view, from the Blue Mountains to the Pacific, coast was sublime.

The ascent to the two flagpoles at the summit was easy enough, even for the 30 per cent of people the company says have a fear of heights. But the return leg down the gracefully curved arches called for sustained concentration and a tighter grip on the hand rails.

As in the media preview, customers have to sign an indemnity form before being allowed anywhere near the 66-year-old structure, which was built by the British firm Dorman Long and Co for £9.6 million.

Children aged under 12 will not be allowed to run the tours, which will pay up to \$40 million towards bridge maintenance and develop a museum in one of the bridge's pylons.

The New South Wales minister for roads, Carl Scully, said up to 300,000 climbers a year were expected to enjoy a view which would put to shame other famous vantage points, such as the Eiffel Tower and the Statue of Liberty.

"We're here together looking out over Sydney, and I think the Seine and Hudson Rivers, with all due respect, are pretty ordinary by comparison," he said.

The 360-degree view is made even more breathtaking by the low hand rails. They run along the precarious walkways and gullies used by the 125 full-time bridge workers, who once included the rigger-turned-comedian Paul Hogan.

The bridge supervisor, Don Willey, who started here 34 years ago as a painter, said he had mixed feelings about the influx of tourists, but understood it had to come.

"I love the old girl," he said. "We look after her and she looks after us."

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"I love the old girl," he said. "We look after her and she looks after us."



The first climbers allowed up Sydney Harbour Bridge take in the 440ft-high views, including the Opera House in the distance. According to one enthusiast: 'The only risk is you'll want to do it again' PHOTOGRAPH: SYDNEY MORNING HERALD

News in brief

## Inquiry ordered into Suharto fortune

INDONESIA'S president, B. J. Habibie, bowed to popular pressure yesterday and ordered an investigation into the financial affairs of the former dictator, Suharto.

The attorney-general, Andi Ghalib, will lead a team examining allegations that Mr Suharto, his relatives and cronies amassed billions of pounds for themselves illegally during his 33-year rule. The team will consist of his staff, police officers and members of the government audit office.

Within hours of Mr Suharto resigning on May 21, Indonesians began demanding that the former general and his associates should return the fortune he had allegedly accumulated through kickbacks, bribes and theft.

Estimates of the family's fortune have ranged from about \$3 billion (£1.8 billion) to more than \$50 billion. Mr Suharto went on television recently to rebut the allegations, saying: "I don't have even one cent of savings abroad." — John Aglionby, Jakarta.

## Taliban warning to Iran

AFGHANISTAN'S Taliban government said yesterday that it was willing to negotiate peace with Iran. But its delegate to the United Nations, Hakim Mujahid, followed the peace offer with a warning to Iran that the Taliban were now armed with Scud missiles.

The missiles, which have a range of 100 miles, are the type used by Iraq against Israel during the Gulf war.

Around 200,000 Iranian troops are conducting military exercises on the border with Afghanistan, following the death of 10 Iranian diplomats during the Taliban seizure of the northern Afghan city of Mazar-i-Sharif.

Meanwhile the Tehran authorities have closed a liberal newspaper and arrested its editor and the managing director of its publishing company. Toss had angered hardliners with its anti-war stance and had questioned the authority of the supreme leader, Ayatollah Ali Khamenei. — AP, Tehran.

## Turks kill 29 Kurd rebels

TURKISH troops killed 29 Kurdish rebels in fighting during the previous 24 hours, the authorities announced yesterday. The clashes took place in the far eastern region of Hakkari. A ceasefire offered by the rebels on September 1 was rejected by the Turkish military and the government. — AP, Diyarbakir.

## Cambodian bodies 'tortured'

A SENIOR United Nations human rights official expressed concern yesterday about arrests, disappearances and the discovery of bodies in and around the Cambodian capital, Phnom Penh, since the government cracked down on opposition protesters.

A report from Thomas Hammarberg, the UN special representative for human rights in Cambodia, said many of the bodies showed signs of torture and other violence, including bullet wounds and strangulation marks. Several had their hands tied behind their backs and were gagged and blindfolded.

Two people have been killed in demonstrations in the past week and 16 bodies had been found. — AP, Phnom Penh.

## Satisfaction for Stones fans

UNDERGROUND rail workers in Athens suspended their strike yesterday to enable thousands of fans to get to a Rolling Stones concert.

The 12-hour strike by tube and bus drivers began at midday, but the workers returned at 6pm to help an estimated 60,000 Rolling Stones fans reach the Olympic Stadium for the 8pm concert. The suspension also helped about 25,000 football fans heading for a Champions League match between Panathinaikos and Dynamo Kiev in a western Athens suburb. — AP, Athens.

## Divided farewell to segregation's icon of the South

Julian Borger in Montgomery

THE American South buried one of the last symbols of its segregationist past yesterday, carrying the body of Alabama's four-term governor George Wallace through Montgomery under the eyes of nostalgic whites and ambivalent blacks.

Even before the body was taken from the Capitol building they began debating the legacy of his career in a state which became indelibly associated with red-neck racism during the civil rights struggle of the 1960s.

Wallace stood in the doorway of the University of Alabama.

The Ku Klux Klan still has a presence in Alabama but it is 'quiet for now'.

Until some rabble rousers got into the klan, it was 'respectable people, doctors and lawyers'.

bans 35 years ago to block the registration of black students, and once promised: "Segregation today, segregation tomorrow and segregation forever."

He owed yesterday's lavish funeral to surviving long enough to repent publicly and apologise to Alabama's black population. But they remain divided over his sincerity.

There was a minority of black faces among those mounting the steps of the Capitol at dawn yesterday taking a last look at the embalmed governor. Some had only turned up to see for themselves that the man who overshadowed their lives was gone.

William Robertson, who brought his four-year-old daughter Chelsea, said: "I don't look at him as a hero or a villain. I look at a man who did what he did because that's what would get him elected."

"Personally, I don't think we have come very far. There are different forms of obstruction now, different tactics. A black man can only go so far."

Inside the marble rotunda Wallace lay covered to his waist by the Alabama state flag. Behind the coffin stood a bust of his late wife Lucille, whom he convinced to run for governor in 1966 after he was barred from a second term — a procedural obstacle later removed.

There were few tears, and old supporters hovered like ghosts.

Outside, a prosperous-looking southern gentleman introduced himself as Don Watts, a former mayor of Hoover, and a self-proclaimed diehard disciple.

When he stood at the schoolhouse door in 1958 I was there and I was ready to stand prison service for him," Mr Watts said.

He said his mentor had adjusted his views after a 1972 assassination attempt by a white drifter left the governor confined to a wheelchair. But he added: "We've seen education deteriorate in this state because the government is trying to force blacks to keep the same pace as white kids, and some of the blacks — not all — are just not capable."

The Ku Klux Klan still has a presence in Alabama, Mr Watts said, but it was "quiet for the moment".

Until some rabble rousers got into the klan, it had been "respectable people, doctors and lawyers".

Rosa Parks, who triggered the civil rights movement by refusing to give up her seat on a bus to a white man, gave Wallace a parting benediction. "I believe that he was changed and I'm glad that's the way he left the world," she said.

But for Sarah Cox, the sister of one of four black girls killed in a 1958 Baptist church bombing in Birmingham, Alabama, some ghosts are not so easily laid to rest.

Yesterday it was reported that the FBI had new evidence on the bombing, for which a local klansman, Robert Chambliss, was convicted in 1977.

Ms Cox told the Montgomery Advertiser: "Wallace had a lot to do with what was going on during that time. Couldn't nothing have been done without him."

## Can more words shed light on those double-talk moments?

LIES/The president's greatest sin is against language, writes Maureen Dowd

THE quintessential Bill Clinton moment can be found in footnote 109 of the Starr report.

The president was asked before the Starr grand jury about Robert Bennett's assertion during the deposition for the Paula Jones case that "there is absolutely no sex of any kind" between the president and Monica Lewinsky.

Mr Bennett was right, Mr Clinton said, because he was using the present tense. "It depends on what the meaning of the word 'is' is," the president explained helpfully.

The same footnote offers three other Clintonian gems before the grand jury: "I have not had sex with her as I defined it." "It depends on how you define alone." And, "There were a lot of times when we were alone, but I never really thought we were."

Mr Clinton's double-talk had a contagious effect on Betty Currie. "I don't want the impression of sneaking," the secretary said of Monica, "but it's just that I brought her in without anyone seeing her." And, "The president, for all intents and purposes, is never alone."

Mr Clinton's greatest sin is not sex or dissembling about sex, as the heavy-breathing Kenneth Starr believes. His greatest sin is swindling and perverting the American language. He is like the cursed girl in the fairy tale: Every time he opens his mouth, a toad jumps out.

His problems stem from his instinct, when he runs into trouble, to shroud rather than illuminate.

He tries to make words subjective, insisting they mean only what he wants them to. Just as he made the Democratic Party about himself, and the Democratic conventions about himself, and the presidency about himself, he tries to make the language about himself.

But he can't. Laws are composed of words. The president is in charge of our laws. When he drains meaning from words, he jeopardises his ability to govern. He has made Washington Orwellian. His corrupt language corrupts thought.

It depends on what the meaning of the word 'is' is

To escape the noose, the president is admitting and denying at the same time, and forcing his lawyers and aides to behave like crazy contortionists. Even Democrats are ashamed of the chuckle-headed "hairsplitting", as Tom Daschle calls it.

The president admits trying to mislead Ms Jones's lawyers, but denies lying under oath. He admits Ms Lewinsky had sex with him, but denies he had sex with her. He denies that oral sex (the second word of which is sex) is sex.

The president, David Kendall says, committed "interpretations of contorted definitions", not perjury.

Once I went to Elizabeth Arden and they tried to sell me some soap. I told them that soap dried out my skin. "But," said the saleswoman, "this is the soap that isn't a soap." I bought it. It dried out my skin.

A friend once picked up a purse at a counter in Saks and observed that it felt like plastic. "No," the saleswoman told her contemptuously, "it's Plastique."

The Clinton world is full of soap that isn't soap and plastic that isn't plastic.

"The great enemy of clear language is insincerity," Orwell wrote in an essay on politics and language.

Mr Clinton's supporters are upset that he did not give his grovelling prayer breakfast speech 25 days earlier, on the night he made his defiant television address.

But the petulant and angry television address was the authentic Clinton moment. The

I have not had sex with her as I defined it

We no longer expect this president to be sincere. We just expect him to fake better, fake sooner.

I don't think the president should be pushed from office. For his transgressions, he should have to perform 28 months of community service. He can join his National Service corps. Let him put aside his risky and challenging sex life and take up a risky and challenging public life. Let him cash in on his popularity and do something wonderful for the country in return for all the slop he's put us through.

As Robert Butler said in *Gone with the Wind*: "If you have enough courage you don't need a reputation."

But if he wants to move past "the adversity of the moment", as he delicately calls it, Mr Clinton must stop ducking, and find a way to reconnect words and meaning.

If he can't, he'll be in big trouble. Depending on what you mean by the word "be". — New York Times.

## Second Starr report on Clinton likely now

THE White House and Democrats on Capitol Hill are bracing themselves for the increasing likelihood of a second report from the independent counsel Kenneth Starr, perhaps within weeks, alleging fresh grounds for impeaching President Clinton.

The second report would cover allegations arising from the Whitewater land deal in which Mr Clinton was involved during his time as governor of Arkansas in the 1990s. It would also deal with more recent accusations concerning the White House travel office and the administration's misuse of confidential FBI files.

The report, which may be issued within weeks, could also recommend charges against Hillary Clinton.

A second Starr report, following last week's on the Monica Lewinsky affair, is not certain, but sources say it is under "active review" in the independent counsel's office, sources have claimed this week.

Before the Lewinsky report was released, leaks from Mr Starr's office implied that there would be only one report and that it would contain all the allegations against Mr Clinton. The absence of allegations concerning Whitewater and the other investigations led most observers to conclude that Mr Starr had fired all his bullets at once.

Last week's report, however, contained a widely overlooked marker on Whitewater and the other investigations. "All phases of the investigation are now nearing completion," it said.

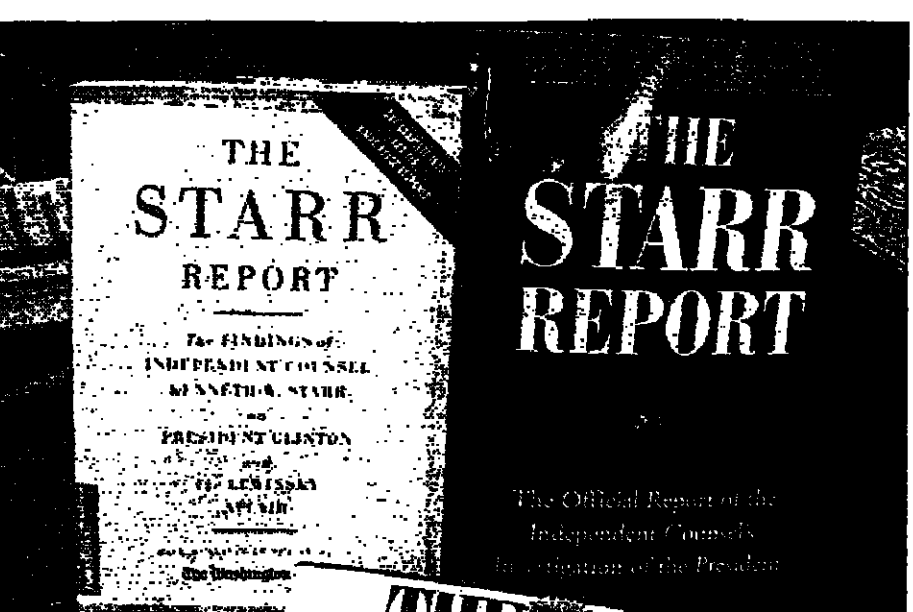
"This Office will soon make the final decisions about what steps to take, if any, with respect to the other information it has gathered. Those decisions will be made at the earliest practical time," their figures in the

Lewinsky inquiry also face charges. Later this month Mr Starr will bring obstruction of justice charges against the Clintons' former business partner Susan McDougal, arising from the Whitewater phase of his inquiries.

Since last week's report was released, Mr Starr's office has hinted that the earlier investigations, on which he worked from 1994 until the Lewinsky case broke late last year, will be completed before the House of Representatives begins any impeachment inquiry, so that all the accusations can be dealt with together.

Although Mr Starr is under pressure from both sides of Congress to draw a line under his \$40 million (£25 million) investigation, it has become clear that he wants to follow his own timetable, not the politicians'.

He has also become a skilled news manager, carefully choosing the timing of his revelations.



Last week's Starr report goes on sale in various editions in Washington bookshops PHOTOGRAPH: DAN LOH



# Comment

## Diary

Matthew Norman

**M**ULTINATIONAL drug companies are not known for their generosity, so it's important when one performs an act of selflessness to give it credit. That credit goes today to Roche Pharmaceuticals of Switzerland, which proudly announces a donation of its Aids treatment Invirase to several African nations. There is one tiny drawback: it seems almost churlish to mention, but the protease inhibitor is now considered so inefficient that US guidelines do not recommend it, while Roche has developed a successor, Fortovase — one it celebrates with the slogan "A new formulation, a new beginning". In this case, we asked spokesman Horst Kramer, why are you dumping the old less advanced drug (one doubtless clogging up the warehouse) on the Africans? "Less advanced sounds very negative," says Dr Kramer. "We have to comply with approval procedures." Ah! So the minute Fortovase is approved, you'll be sending gallons to Africa? "We can't do that, because it's one-off donation." How unspeakably frustrating for you, Dr K. "I am not frustrated at all," he replies.

**I**n another cute piece of public relations, New Labour has banned the leftwing magazine Red Pepper from its conference. The government is still in a hate because one-time Euro MP Hugh Kerr, now expelled from the party, heckled Gordon Brown at the Scottish Labour Conference when working for the magazine. "We have not had an apology, and Hugh Kerr still sits on their editorial board," says a Labour spokesman. Editor Henry Wainwright says she did apologise, and didn't send Mr Kerr to heckle anyway, but this little lie. There are political parties in western democracies, apparently, who see heckling as one of those inalienable freedoms that come along with free speech as part of the baggage. How much they have to learn.

**E**MBARRASSMENT brews for Mr Tony Blair. So close is he to the Express and its proprietor Lord Hollick that the paper has been invited to sponsor the plastic folders placed on seats at conference. Meanwhile, however, his missus has agreed to act for James Hughes Oatley, a journalist sacked recently by Rizia Rosie Boycott (or rather by one of her henchmen, Rosie is too delicate-natured to do it herself) in an action against the noble lord. The two are old friends, and when Cherie rang James to commiserate, he mentioned that he was having trouble over his redundancy money. Cherie instantly offered to take on the case, brushing aside James's concern about the problems this might cause with words on the lines that he was an old mate, and she couldn't give a damn about anything else. What a woman.

**W**ITH his fellow Baptist Bill Clinton in mind, Diary vicar the Rev Steve Chalke delivers his eagerly awaited sermon on repentance. "One saying of Jesus does spring to mind, funnily enough. It is Matthew 5:30: 'If your right hand causes you to sin, cut it off and throw it away. It is better to lose one part of your body than for your whole body to go into hell.' Ha ha ha. But being serious," he says, in a more sober tone, "I think we should leave Bill Clinton's pastoral care to his pastors." Meanwhile Rev Steve looks forward to presiding over the Diary's First Prayer Breakfast. It is hoped that my sane and rational friend Paul Johnson, who has been an exceedingly naughty boy, will be present.

**A**T the Police Superintendents' Association annual conference, held this week at the Marriott hotel in Bristol this week, the dress code is miff (and a good thing too for the chaps to let their hair down). However, with the Home Secretary visiting yesterday, its president Peter Gammon donned the full uniform. This decision paid an immediate dividend. As he walked out of the hotel, he was stopped by two admiring American tourists, who asked him to halt a cab.



## Modernised unions offer Labour things business can't match

Hugo Young



**A**T the launch of New Labour, the TUC did not assist. Trade unions were not wanted on that voyage. Excluding them was a conscious act, ruthlessly carried through for a variety of reasons. It was proof of political independence, declaring that the barons would no longer be invited to the table. It showed that Tony Blair was a macho man. It was the brightest available signal that this was a new party, with new priorities, and above all with a new zone of attraction: the business world.

Behind this political choice stood the still more driven belief that trade unions were terribly unpopular. Not only were they Old Labour, they were failed, and detested Labour. Fifteen years of Thatcherism made business people the new heroes, and business values the *sine qua non* of modernity. The bottom-line culture took over the entire centre ground, the vestiges of any vestiges of fairness and social decency that tried to survive there. Social justice, let alone socialism, was a concept that Mr Blair's repositioning of Labour permitted him to mention only occasionally, and then with embarrassment. His party probably didn't lose a single vote in 1997 through its distancing from unions that still spoke about such things.

This week's TUC conference, however, asks a few questions. The old reading no longer looks sure-fire correct. Though unions are still losing members, they haven't gone away. And they have acquired their own modernity. This has been a sober, polite and passionately serious gathering. In fact, as political partners for Labour, the unions in their present state must seem, to anyone with an

open mind, to have a few things to be said for them that business cannot match.

For one thing, they're there. When the heat's on, business can hardly be relied on. Business gravitates to power, and will soon swing away again. When the bandwagon goes into reverse, what price J Sainsbury continuing to ride it? Business is also entirely predatory. Its relationship with government is at a level not far above the very specific, self-interested. Does anyone imagine that British Airways and BskyB would be among the largest sponsors of the blighted Millennium Dome if they didn't have plenty to get out of ministers by way of permissions and licences, landing-slots and television rights?

So business brings complications. The relationship is far more particularly demanding in actual cases, than the broad connection with membership bodies whose allegiance is based on a more patient understanding of what government entails. If trade unions weren't capable of infinite patience, and a generous definition of their public duties, why would they still be pouring the millions into the Labour Party that its leader, in his ideal world, would apparently rather not have?

Business also has a values problem. Business sponsorship is a liability if the business turns out to be profiting from child labour in India, or wrecking the environment, or paying its bosses indefensible bonuses. The anti-social, anti-community, intensely individualistic values of many successful corporations not only defile what Old Labour talked about but what New Labour, led by Mr Blair himself, sees as the distinguish-

ing mark of the left against the right. How deep those corporate values have reached in the past two decades could be seen this week in the business reaction to John Edmonds's full-blooded attack on executive greed. Backed by the Tory media, the spokesmen were not just angry but utterly incredulous that anyone should have dared to miss the point about the meaning of modern capitalism.

**S**O far, there has been no revisionist awakening to these problems among the avatars of New Labourism. The party is still thirsting for business support. At this year's annual conference, the anti-passes will be sponsored by a supermarket chain and the documentation by the Daily Express. There will be "a lot of" other business sponsors, I was told by the party press office yesterday, though the spokesman declined to say who these were. Reticence springing from the commercial confidentiality of the sponsor, as he pleaded, or some lingering off-message awareness that this was a sleazy fare for a once-great socialist movement? No matter. The orthodoxy continues to say that Labour has a long way to go before displacing the Tories as the true party of all the business as well as all the people, and that to be in debt to the business world is, at least, to avoid being in debt to interests which are still infected by the "betrayal" syndrome so fervently abominated by Mr Blair.

There is, too, the continued depiction of these interests as economic dinosaurs. The very breath of possible industrial militancy is enough to extract from middle-aged newspaper editors the clichés of despair-

ing scorn they got used to writing as tyro journalists 20 years ago. The notion that trade unions could have anything sensible to say, or any legitimate interest to represent, is still beyond the imaginative reach of most of the political class.

The tenor of what has been happening in Blackpool shows this to have become something of a fallacy. The TUC is eight-years away where it was in the 1980s. It is mobilising, within the rules that now obtain in the Labour movement, the first weighty, collective critique of what may be happening to the economy in a potentially deflationary environment. For the Blair government, such criticism is an unfamiliar experience, which ministers, led by the Prime Minister and the Industry Secretary, have been wise to expose themselves to directly. The TUC analysis, moreover, can claim the merit of a certain disinterestedness, by comparison with the business world. It may be wrong, but it can at least plausibly be said that its prescriptions are targeted towards a wider good than the corporate bottom line.

There's more to learn than that. If Labour first thought about ditching the union link because trade unions were supremely unpopular, it may now need to change that view. I confess to cheating my own. I used to think it a high priority of progressive politics that the link be broken. But what has replaced it? The glimcrack opportunism and fly-by-night donations of corporate sponsors who think they know a good thing while it hotly stares them in the face. The sobriety and long-termism of unions, by contrast, is an inheritance Labour looks crazy to disclaim.

## Wandering in Wonderland

Roy Hattersley in Washington



**W**E had almost finished lunch when an elderly couple approached our table. The lady was large, no less than 70 and dripping with jewellery. Her husband, wizened and probably 10 years older, supported himself on two sticks, one of which he leaned against the table so that he could offer his hand to his host, Senator Daniel Patrick Moynihan.

The lady had no time for such formal courtesies. "Don't let him go," she shouted. "The president's not to blame. I know girls like that. He didn't have a chance. They get their claws into men..." Pat Moynihan turned to the silent, stooping figure on sticks. "You just take heed of what your wife says. And you watch out."

That incident in the Carlyle Hotel was a moment of pure farce in a week of grand guignol — seven days in American politics for which 32 years in Whitehall and Westminster did absolutely nothing to prepare me.

I hold the extreme liberal view that Mr Clinton's private conduct is none of the American public's business. And I certainly make no censorious judgment about his behaviour. It is the absurdity, not the morality, of the Lewinsky affair which, until last Saturday, I thought would bring the president down. I was almost certainly wrong. A mighty nation can, apparently, sustain a bar-room joke in the White House. A few grown-ups are saying, "What an ass". But, in general, the nation is wandering through Wonderland.

**T**HE madness of it all is illustrated by the arcane discussions which dominate every television channel. They all revolve round technical definitions of sex, perjury and forgiveness. The arguments about what constitutes a sexual act are muted by the participants' embarrassment as they struggle to find euphemisms for what the Starr report described in graphic detail. The disagreements about perjury are narrowly legalistic and have absolutely nothing to do with whether the president told the truth.

When David Kendall, Mr Clinton's lawyer, was asked if his client had lied under oath, he replied that the questioner was missing the point. Attempts to imagine a British prime minister surviving on such a defence confirm how different the two political systems are.

Part of the difference is created by the American Constitution. It does not lay down

precise criteria by which a president's suitability for office should be judged. But there is a long and complicated procedure which must precede impeachment. In Britain, political death is swift, brutal and informal. It is the informality that guarantees dignity. Arguing the legal niceties may improve the chances of survival, but it also guarantees a prolonged humiliation which William Jefferson Clinton accepts as the price of clinging to the wreckage of his presidency.

Most of America does not seem to have noticed how great the humiliation is. It is more than three decades since I first landed on these shores, but I have only just begun to realise that this nation is chronically insensitive. Almost every day, Mr Clinton behaves in a way which would make the emotionally fastidious British squirm. Often the agonising episode involves the president's close, but temporarily strained, relationship with God.

In order to renew his friendship with the Almighty, Mr Clinton has "chosen a circle of two or three ministers to serve as a team of personal spiritual advisers who will help him to resist... the temptations which have conquered the president in the past". That is an admission of what might be called "a course of conduct". But I would not impeach him for that. My complaint is that he

TV clerics debate his spiritual state as if it was being quoted on Wall St

has absolutely no shame. He is prepared to bare his soul to save his skin.

But then, they treat souls differently here. Day by day we are entertained by clergymen of every denomination who speak of repentance, contrition and forgiveness. Although their discussions are not theologically enlightening, their television appearances teach us a great deal about American society. It is clear that churches pay their trophy pastors enough for them to afford \$3,000 suits and, although they eschew the sin of pride, elaborate haircuts of which Elvis Presley would have been proud. These smooth-faced men of God eulphatise the president's spiritual condition as if it was quoted on Wall Street, rising one day and falling the next.

Tomorrow I go to Cambridge, Massachusetts, where, long ago, my love affair with America began. It never was Camelot, although in Harvard Yard we genuinely thought it was. Sadly, nobody deludes themselves today. My complaint about the sordid farce of the past few days is not what it reveals about the president but what it reveals about America. This nation is desperately short of rectitude.

Pat Moynihan's elegant side-step was the best moment of the whole week.

As Blair prepares to visit China, he should remember that other advocates of quiet diplomacy have risked becoming instruments of Beijing's propaganda

## Cheap consciences

Isabel Hilton



**"W**E should never forget that respect for human rights requires social justice as an essential prerequisite for sustainable development. The right to development expresses a fundamental value predicated upon respect for all human rights, whether civil, cultural, economic, political

or social, together as an integrated whole. None of these can be fully realised without democratic governance and the rule of law."

Fine words, spoken by Mary Robinson, the United Nations Commissioner for Human Rights in the course of what has been described as her "landmark visit" to China which ended this week. But moments before she delivered those remarks, a woman was dragged screaming out of the Hilton Hotel in Beijing. She was Chu Eilian, the wife of labour activist and novelist Liu Nianchun, who is serving three years in a labour camp. Her crime? She had been trying to get a message to Mary Robinson about her husband's plight.

Mary Robinson's visit is one of the pointers to China's improved attitude to human rights produced by those who argue that the way to make progress with

China is to back off from disagreeable public slights to Beijing's sensitive feelings. Undesirable slights include any resolution condemning China's record made at the annual UN review of human rights or, even, the annual Congressional debate in the United States on the renewal of Most Favoured Nation status for China. Instead, the argument goes, we need quiet diplomacy — then trade will flourish and human rights will improve.

During the past three years the European Union, with Britain's Labour government in the forefront, and the US have abandoned public challenges to such old Chinese practices as kangaroo courts, wholesale detention of dissenters, labour camps and public executions. Trust us, they say, our way works best. And to prove it, there's Mary Robinson in China.

Mrs Robinson wanted her 10-day visit to have "practical effects" for human rights and planned to meet a "wide range" of people in China. But she met none of the 116 Chinese human-rights activists who wrote to ask her to visit Chinese labour camps and press for the abolition of "reform through labour". Mrs Robinson may have wished to

tortured the moment her motorcade pulled away.

Mrs Robinson is well aware of all this, but the UN is only as strong as the will of its members and they have suffered a collective moral collapse on this issue.

Mrs Robinson does not know a good thing while it hotly stares them in the face. The sobriety and long-termism of unions, by contrast, is an inheritance Labour looks crazy to disclaim.

The UN is only as strong as the will of its members and they have suffered a collective moral collapse on this issue

visit a labour camp, but the Chinese government would not permit it. Nor did she meet any prisoners in Tibet. The reason for that was, reportedly, that Mrs Robinson knew that any prisoner who attempted to speak to her risked being

she could do to salvage the reputation of her office: she could report on her visit in terms of how things are and not how she would wish them to be. She could point out that signing the International Covenant on Civil and Political Rights, as

Beijing has promised to do, is not much good without ratification. And she could demand that Beijing produce some data — on executions, for instance.

Next month Tony Blair will be in China, the first visit by a British prime minister since 1991 when John Major became the first Western leader to shake the hands that were still wet with the blood of the Tiananmen Square victims. Mr Major is no more callous than the next man, but he was snuckered into going on the promise of securing the deal on Hong Kong's new airport. He was seen to cultivate bad company, and did not secure the deal — not so much a case of Chinese cleverness as British stupidity.

Mr Blair will follow in the footsteps of Robin "ethical" Cook, whose abandonment of the UN Resolution on China in Geneva earlier this

year was such a fine example of ethics at work. So let's all get ready for a blast of British propaganda on how well the new approach is working, while listening closely for any bat squeak of public protest on human rights from Mr Blair. President Clinton, admittedly no moral giant, salvaged something from his China visit by some very public remarks. Will Mr Blair surprise us, or will the pressure from business not to rock the boat keep him to the Chinese script?

It's helpful to remember, as politicians lay their consciences down before the twin gods of the vast Chinese market and British jobs in the export trade, that Britain sells nine times as much to Belgium and Luxembourg as to China and almost three times as much to Australia. It's a salutary reminder of how cheap consciences can be.

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## The mirage of inflation

Jobs are still the problem

GEORGE SOROS, the financier, said yesterday that the global capitalist system was coming apart at the seams, while Tony Blair warned in the North-east — which has been badly hit by plant closures — that the world downturn would continue to affect Britain. However this week's economic statistics suggest a rather more optimistic tale. The number of people claiming unemployment pay has been declining almost without interruption for nearly six years. In August it dropped another 16,000 to 1.31 million — almost the level the last Labour administration bequeathed to the Conservatives in 1979 (and thought at the time to be too high). Yet, far from triggering more inflation, the opposite seems to be happening. The annual rise in the Retail Prices Index has fallen every month since May to 3.3 per cent in August. The Government's preferred inflation measure (which excludes mortgage interest) has dropped to 2.5 per cent, bang on the target the Treasury gave the Bank of England. A third measure (harmonising Britain's RPI with its EU counterparts) says inflation is only 1.2 per cent. Some economists feel that the real level of inflation is even lower as the RPI does not fully take into account improvements in quality (as when computers running twice as fast sell for the same price).

Yesterday's figures also show that the growth of average earnings has slowed down to 4.7 per cent compared with 5.4 per cent in April — thereby confirming the view

that earnings were being exaggerated by special factors, including a temporary rise in bonuses reflecting economic activity last year, not this. All of which ought to prompt serious soul-searching among economists wedded to the fashionable theory that there is a definable rate of unemployment below which inflation accelerates. Proponents of this theory, including the Treasury and most of the Bank of England's Monetary Policy Committee, believe that this "natural" rate of unemployment is way above what it has been recently, so that the economy needs to suffer extra unemployment of up to 400,000 to bring us to our senses. In the real world inflation isn't at a worrying level. Most of the recent increases have been the result of government policies, such as higher indirect taxes in the budget, and the effect that higher interest rates have on mortgages.

This week's figures show there would have been no justification for even thinking about an increase in interest rates. The Bank of England should start bringing them down to test how far the scourge of unemployment can be reduced without rekindling inflation. The reason it is worth testing is that the world economy has been dramatically changed by globalisation, the impact of information technology and the break-up of monopolies (unions and as well as companies) — all of which make it more difficult to raise prices in the market place. The unexpected redundancies in the UK brought about by the microchip glut could now provide an extra reserve of labour (on top of the welfare-to-work scheme) enabling the economy to be run a bit faster without generating inflationary pressures. If the Government could engineer a further decline in the pound, then the UK might get some extra growth from exports (or at the very least prevent a collapse).

None of this means that everything is hunky-dory about the UK economy. There is still a very real danger of a serious recession because of the effects of high interest rates and the fall-out from the global crisis. In such circumstances the last thing Britain should be doing is making things worse by misreading the signals from the economy. The dangers of recession far outweigh the risks of inflation. It must be right to let unemployment continue to fall.

## Call for Kofi

### Genocide must be stopped

THERE is only one possible way to end the Congo war, which grew even more dangerous yesterday with the entry of troops from Sudan on the side of President Laurent Kabila. There must be direct talks between Mr Kabila and his rebellious army in the east of the country. Mr Kabila, however, refuses to talk to them, and instead is trying to crush them with the air and fire power of the armies of Zimbabwe, Angola and Namibia, in addition to his own, plus his newly trained allies, veteran killers who carried out the genocide of a million people in Rwanda in 1994.

The situation in eastern Congo now is as serious a threat to the stability of the whole region as the genocide in that tiny country proved to be. Among its consequences were the fall of Mobutu Sese Seko in the then Zaire; a change in government in Congo-Brazzaville; a new balance in the power struggle in Angola which led to a split in the Unita rebel movement, the branding of Jonas Savimbi as a war criminal by Southern African leaders this week, and, finally, the government bombardment of Mr Savimbi's headquarters in Andulo yesterday.

In addition, the insecurity of Congo's neighbours, originally a deliberate tactic by Mobutu, became worse through Mr Kabila's mismanagement, and then worse still when the Congolese leader declared ethnic war on Tutsis inside his own country and over the borders in Rwanda and Uganda.

Africa is far too fragile to be able to face another bout of unravelling — never mind the shameful name of ethnic cleansing.

There is only one person who can bring the weight of the international community to enforce the holding of talks, originally proposed by Nelson Mandela. Besides talks between Mr Kabila and the rebels, there will have to be regional talks in which Angola, Zimbabwe and Namibia retreat from their support for a man who is inciting genocide, and from their new effective alliance with Sudan in its unrelenting terrorism against Uganda. For a generation of leaders boned in liberation struggles this alliance brings shame, and promises internal opposition.

United Nations Secretary-General Kofi Annan has a personal responsibility for giving moral leadership in the urgent convening of talks and search for a ceasefire. The saddest shadow over his prestige is his failure, when he was head of UN peacekeeping, to raise the alarm ahead of the genocide in 1994 despite the information he was privy too. It would be tragic if he failed again to act decisively and prevent a repeat.

## Old novels

Never die; they only fade away

JOURNALISM is ephemeral, tomorrow's chip wrapping and all that. But to write prose at length and have it bound in a book — that's (to paraphrase George Steiner) to shake your fist at the transience of our

mortal existence by leaving something behind. Or so they say. More often than not what gets left behind lingers on the shelves of second-hand book shops gathering dust before falling further down literature's food chain into a skip. You don't have to be Jeffrey Archer to speculate about what determines literary longevity. Even nowadays it's not just sales. And as long as there is a copy somewhere — one of the paradoxes of the age being the way the Internet has made it much easier to get hold of old and forgotten books — its author is immortal.

Despite the efforts of his fans, which we reported yesterday, it's unlikely John Cowper Powys is really going to clamber back into currency. There's something too fey, too wilfully English-eccentric (he wrote a lot of his stuff while in the United States) about him. Yet he's only one of a long list of novelists who don't entirely deserve their obscurity. Henry Green (Living), Charles Morgan (The Fountain), Joyce Cary, Ronald Firbank and J C Powys's literary brothers Llewellyn and T F — the Oxford Companion to English Literature is chock-a-block with talents from earlier this century. They join the novelists with names who just aren't read much, among them Somerset Maugham, J B Priestley and FR Leavis's bete blanc, C P Snow, the author of The Masters, Strangers and Brothers and Corridors of Power — now there's a candidate for recycling in screenplays. It's National Reading Week so there's hope for them all yet. One day in a library or bookshop, or idly skimming someone else's shelves or digging through a relative's discards, a reader will pick up one of these mute, once-glorious authors and start and then, transfixed, read on through an opus, enthusing others with the discovery. It's a random and unpredictable process but whoever said the ascent of Parnassus was an easy climb?

## Letters to the Editor

### Braying toffs and loony tunes

CONSIDERING the small sums Covent Garden is drowning in and the vast sum Rupert Murdoch is paying for Manchester United, why doesn't he buy the Opera House (Royal Opera to close for year in rescue deal, September 10)? Loads of people would subscribe to Sky if Opera were a regular feature — and it would enhance Murdoch's image as well as his profits. Herbert Lomas, Aldeburgh, Suffolk.

ROH audiences who have been portrayed as braying toffs are also made up of thousands of people who know that the best views and sound can be had from the cheaper seats higher up in the house. It is their commitment to the company that kept artistic standards so high despite the management. Cicely Herbert, London.

THE latest proposals for the ROH seem to follow the loony economics of the agriculture industry, where farmers are paid to produce no crops. Geoffrey Collins, London.

YOUR diarist (September 16) notes that Boots the chemist is going to remove risqué pictures from developed film to protect customers. Their current London Underground advertisement is a picture of four naked children on a beach. If I submitted this, would they remove it? Indeed, if I took it on Bournemouth beach, given the current hysterical climate, would I live to see it developed? Brian Baxter, Bournemouth.

FRANCIS When is right (September 16). It is not so much for what Clinton did as Monica Lewinsky as to what he did to Rudy Rector (the mentally ill black man he executed to get the righting vote) and for what he did for the Pan-fu sugar kings, that this president deserves the stocks. E M O Williams, Sere, Surrey.

IS there a link between column inches devoted to Viagra and any effect it might experience on taking it? Martin Jones, Eastbourne.

## Is Clinton a throwback?

POLLY Toynbee is right to condemn those who seek to explain all aspects of human behaviour from an ultra-genetic determinist point of view, but please don't label all such people Darwinians (Birds do it, Bill does it, September 16). Evolutionary biologists would not characterise human behaviour as simply as she does. If Clinton can't help it because it's in the genes, as Toynbee claims is the Darwinian explanation for his behaviour, then why did he use a cigar? He did so because as a human he is not ruled by evolutionary urges. Toynbee claims evolutionary theory is paltry because it leaves out human culture, saying that Darwinians conclude that human evolution stopped in the Pleistocene era, 2 million years ago. Perhaps we did stop evolving physically then, but cultural evolution exploded.

Dr Rowan Hooper, National Institute for Environmental Studies, Tsukuba, Japan.

A FAIR number of evolutionary biologists would disagree with the idea that powerful men find it impossible to resist polymorous sex is linked to some partially buried instinct. For a start, to believe in Darwinism is not the same as accepting that we are ruled by our primal urges. Richard Dawkins, one of today's greatest champions of Darwinism, suggested in The Selfish Gene that we have to teach our children altruism, because it is not to be expected of them. Clearly, he and I would agree that even if we are subject to powerful primal urges that we inherited from our ancestors, it does not mean that we cannot, or should not, override them. Evolution is a scientific theory, not an excuse for bad behaviour. Matthew Thrower, Biocentra, University of Leicester.

POLLY Toynbee suggests that narrow Darwinism attempts to explain Bill Clinton's behaviour are based on "near mysticism". On the one hand, we would retort this distortion — the parallels and correspondence between the sexual behaviour observed in other mammals and birds and those found in humans clearly indicate that evolutionary processes are highly important in determining our inclinations. On the other hand, she is entirely correct in suggesting that a sociological analysis will cast valuable light on such situations. In trying to interpret human behaviour, it is not fruitful to adopt either an evolutionary or a sociological approach to the exclusion of the other. Neither should Darwinian explanations be advanced as excuses, but the mating call of the savannah is louder than Ms Toynbee might like to believe. Anley Mackenzie, Natalie Gray, Department of Biological Sciences, University of Essex.

First slate has not benefited from access to and support from Tribune, Labour Briefing and other left networks. nor received the disproportionately sympathetic coverage the Guardian provides for Sir Davies et al. Ascribing right-wing Blairite or similarly dismissive labels to all who criticise the hard left is symptomatic of the sectarian politics of the 1980s, the possible revival of which is the main reason to avoid the temptations of empty radical posturing and support the Members First slate. Michael Allen, London.

YOU repeat the assertion that "early returns" show the centre-left Grassroots Alliance candidates leading. What early returns? Either the ballot papers have been tampered with by Labour officials to discover this, or it is a fairy story being peddled by the Milbank First campaign in order to mobilise potential supporters. Perhaps one of those "senior Labour sources" would like to clarify which interpretation is correct? David Holland, London.

## Labour member's first chance

I AM the daughter of an unmarried Jamaican father and an Irish mother, born in the late fifties in Notting Hill Gate. Poverty and racism forced my father to place me in care. I am the youth that ran away from home and slept rough on the streets. I am the single mother in the council flat who tried to keep her dignity while fighting to feed and clothe her young children. I am the mother with no qualifications who late in life took her three children in one hand, the law books in the other, to give herself a better standard of life. I am the wife of a firefighter with 20 years service who fought for the rights of ill firefighters. I am standing for the constituency of the NEC on the Members First slate because I believe I have the ability to represent all members. For the first time in the party's history people like me, an ordinary party activist, a regular attendee of branch and constituency meetings, can sit next to, listen to and talk to ministers.

I am not an editor, an ex-trade union official, a barrister, a celebrity, a radical member of the Black Section, or been in the party for 30 years. I certainly do not condemn any of these and I recognise the validity of all. It's simply this: I am one of the members that have been talking about all these years. Instead of talking about the single mum in a council house, we now ensure they have the opportunity to take part. Margaret Payne, London.

YOUR terminology in Labour Party affairs grows ever more Orwellian (Blairites in panic over left, September 16). The Amalgamated Engineering and Electrical Union is deemed Blairite for funding some tele-cavorting for the Members First NEC candidates. Yet you recently highlighted the ABEU's diversion of funds towards training and promoting working-class candidates in protest against the Blairite middle-class takeover of the party. Unlike the ersatz Grassroots Alliance, the Members

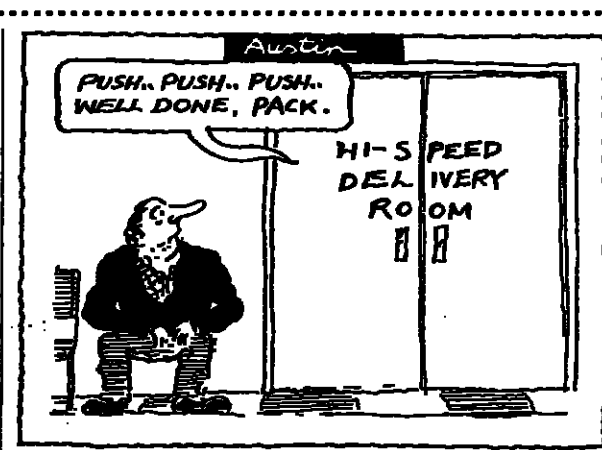
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have no understanding of the needs of the audience and no desire to engage with this group. Capital's objective is to rebrand Xfm to become a station that will attract listeners who buy CDs from service stations or by mail order — ie the people who buy what they are told. The largest protest in the history of UK radio has gone unnoticed by most media and the Radio Authority is scared of taking any serious action against Capital Radio. Jason Cobb, London.

XFM faced a number of difficulties, including that its core listenership frequently doesn't show up on the ratings figures, being students or other "transients". Even so,

the station amassed a growing and fervent fan-base. Xfm was noted for presenters who may not have been great DJs, but who understood and cared about the music and their audience. Now its presenters are still bad DJs, but who appear to know nothing about music or the audience. Charlie Ball, London.

XFM's Promise of Performance is now circulating among alternative music fans like a samizdat document. I don't hold out much hope. The head of Planet 24, now involved in running Xfm, is Wahed Ali — who has just become a Labour peer. Anil Patel, London.



## What Kate did over royal story

AS Chief News Correspondent of BBC TV News, Kate Adie appears to have an uncertain recollection of dates, events and consequences, judging by her recent piece for Media Guardian (News had already usurped deference, August 17). The article gave the impression, presumably deliberately, that she gave up the job of BBC TV News Correspondent because of the pusillanimous attitude of her editors when she brought back a story that might have been politically inconvenient for Buckingham Palace. In reality, the two events were separated by more than five months.

On February 28, 1986, The Queen visited The Times to mark the paper's 200th anniversary. The miners' strike was in its 12th month and during a meeting of the editorial staff the monarch indicated that it was her view that the strike was being prolonged by one person.

The industrial correspondent, Paul Routledge, thought this worth reporting and proceeded to do so, to what might have been the embarrassment of his own managers who had invited The Queen.

I was in the BBC TV newsroom when Miss Adie returned from The Times. Whether or not the duty editors saw visions of the Tower and the block, as she maintains, I do not know but I do recall that they were concerned to know what the Queen had actually said and whether Miss Adie had it on tape, reasonable enough questions in the circumstances.

Miss Adie ceased to be Court Correspondent on July 31, when I was asked to take over. Unless she takes a long time to ponder issues of principle, I beg leave to doubt that the two events were as closely related as she says. Certainly, neither then nor later, did she mention to me that she had relinquished the royal post on ethical grounds or as a matter of journalistic integrity because her superiors had faked a seignior story.

The only person I recall experiencing a change of job soon after the royal visit to the Grays Inn Road was Mr Routledge, who was posted to Singapore, though happily he has since rejoined us. Michael Cole, London.

## Birth right

ST Michael's hospital in Bristol (Hospital gives 6 hour warning to new mothers, September 16) should consult its lawyers. The statement that they may not grant epidurals to women in labour "solely on choice", but only "based upon clinical need", could land them in court.

The clinical purpose of an epidural is to relieve pain. Pain is the normal consequence of labour and childbirth. What rational criteria does the hospital therefore propose to apply to distinguish between women who "need" an epidural, and those who are merely seeking to "choose" one? If a woman is denied an epidural on the basis of this policy, what will be the hospital's defence to her claim for compensation for the pain and suffering she has endured unnecessarily?

Why is pain relief for women in labour still treated as an optional extra, when no doctor would ever dream of suggesting that the "choice" of a local anaesthetic might not be available to all patients undergoing the most minor surgical procedures? Dina Rose, London.

## Keep the faith

AS someone who worked at Bush House for a dozen years and has, since 1980, been closely associated with it, I would like to reassert our old belief that the importance of the World Service lay in its appealing to the opinion-makers, rather than to the youth and the illiterate of the world. I fear that the BBC's present plans to shorten its news items and force it to take up the style of local radio to make it more "user-friendly" (Report, September 15) will make the whole set-up a waste of money and easier for a future government to abolish. The World Service has never been about entertainment, but information, particularly news and analysis.

Another mistake the BBC and Foreign Office seem to be making is that a multicultural presentation would make the English-language division of the World Service more attractive to foreigners. In fact, the opposite is true. Multicultural voices from London are self-defeating. They make the BBC less convincing because it then becomes less of a reflection of the West. Razhik Tadmourian, London.

## UK seafarers launch fight against that sinking feeling

AS the trade union representing more than 18,500 British merchant navy officers, Numast welcomes our article highlighting the loss of this country's maritime skills (Seafarers launch battle for survival, September 16).

It seems incredible that an island nation like Britain faces the potential extinction of its long and proud history of seafaring. The sea has had a profound effect on the nation's development, yet the drastic decline of our merchant fleet over the past 20 years (from more than 1,300 ships to fewer than 250) has passed without the public or political outcry that it merits.

There are solid economic, strategic, social and environmental arguments for measures to support the survival of our shipping industry. More than 80 per cent of UK international trade still goes by sea, and it is dangerous in the extreme to hand this over to the fleets of other nations. Despite recent achievements

by those of us working internationally, there are too many sub-standard ships, too many flag-of-convenience ships and too many poorly paid, poorly trained seafarers. Accidents such as the Braer, and Sea Empress show the potentially drastic impact of ignoring the importance of our maritime infrastructure.

The integrated transport white paper and the associated working party on the shipping industry represent a long-awaited recognition of the need to address the merchant navy's decline. It is essential that these initiatives are given the public and political support they deserve and that the shipping industry and seafarers are not allowed to sink without trace. Brian Orrell, General secretary, Numast.

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# Analysis Mandelson's mission



China misbehaves 8

## Peter's poisoned chalice

Today Peter Mandelson, hurrying back from a sales tour of South Africa, will try to keep the brothers and sisters sweet at the TUC. Back at the office his in-tray is groaning and on his decisions rides the Blair government's reputation for doing business with business. **David Gow, Ewan MacAskill and David Walker** size up the Trade Secretary's coming season.

**F**OR A year they said give him a proper job and in the July reshuffle Tony Blair obliged. Peter Mandelson joined the Cabinet as Trade and Industry Secretary (President of the Board of Trade was promptly discarded as a "pompous title"). But as the economy turns down, job losses mount, Dome sponsorship falls short and he is seen favouring money men who can't name Manchester United's left back, the promotion may turn into a poisoned chalice. Even Mr Mandelson's well-wishers predict he will need to be ultra smart to survive and prosper.

The same recession will hit Gordon Brown, too, sharpening regret (as we have seen this week) at his entrusting interest rates to the Bank of England. He however has a cushion of political allegiance within the Labour Party. Peter Mandelson may be Herbert Morrison's grandson but he is perceived as Tony's creature, lacking personal support. His shiny skin, some say, will cut nicely if a scapegoat is required for the Prime Minister's mistakes.

It's not just that Mr Mandelson's is a busy portfolio or that, this autumn, he must take a number of sensitive decisions. It's also that his conduct of this ambiguous role, managing competition while enhancing competitiveness will vitally identify the Blair government.

Peter Mandelson's performance will show whether New Labour genuinely is better for business than the Tories. Put that another way, it is up to Mr M to show whether Blairism is a winning formula for managing British capitalism while cleaving to some kind of egalitarian/redistributionist agenda.

For much of its history Labour been a party of industrial modernisation (1), preferring big deals. It may have

been the Attlee government which introduced the first monopolies legislation but Labour ministers have always seemed more comfortable with large corporate entities.

Mr Mandelson has a pro-enterprise reputation; will that mean some reorientation of policy towards small and medium business and the lighter regulation (fewer benefits for workers and their unions) they crave? Margaret Beckett, Mr Mandelson's ostensible left-of-centre predecessor, spoke in paradoxes. "The path to competitiveness is one of partnership," she said. Mr Mandelson's tongue will also have to fork.

He must try to give his loose baggy monster of a department a way of resolving the contradictions of a pro-active industrial policy in an era of deregulated, liberalised markets. Many have tried. Look at the list of his predecessors. Most simply couldn't answer the question levelled in 1994 by Michael Portillo: in an era

of market supremacy, justify intervening (2).

The Secretary's in-tray is voluminous and a lot of it involves carrying forward Tory policy, such as more consumer choice in energy. A white paper on competitiveness is (over)due. Now the Bank does monetary policy and the Chancellor has bound himself in tight fiscal bands, what economic policy is there left for the DTI? If John Prescott has regions, David Blunkett education and training, the DTI's turf looks like odds and sods, a bit of "corporate govern-

ment" here, a bit of export assistance there. Britain historical problems with industrial (and service sector) performance linger. The white paper will draw on seminars at the Treasury/DTI (that conjunction of departments is significant, see below) the sixth of which took place yesterday. Researched by McKinsey and attended by business and union leaders, they have been seeking to explain the 40 per cent productivity gap between Britain and the best in the world. (If politicians knew how to do that they would either be City millionaires or Comrade Lenin.)

The Secretary's greatest intellectual challenge is marrying competitiveness (big, successful companies which dominate their markets) with competition (big successful companies which don't dominate their markets). Here the political embarrassments start. Mr M insists the British Airways/American Airlines tie-up is his to decide while the European Commission in the shape of Karel Van Miert, competition commissioner, says it's his. Putting aside Mr M's own involvement with BA (as £6 million sponsor of the Dome) he has also to face down the Deputy Prime Minister who has other views about the pattern of take-offs and landings at Heathrow. Mr Mandelson has also to decide on Ladbrokes' purchase of Coral's £1.9 billion takeover of East Midlands electricity company, creating a "verti-

cally integrated" power company — when regulators such as Professor Stephen Littlechild of Ofwat are trying to break them up. Oh, and there's Professor Littlechild's replacement, who is to be a super-regulator for electricity and gas.

Like confetti at a wedding reviews drop from the DTI's ceilings, among them a review of energy policy. Initially conceived as an emergency reaction to the coal crisis (Richard Budge of RJB Mining threatening to close up to eight pits and axe 8000 jobs if the Government didn't guarantee coal a 30 per cent share of the electricity generation market) this has become much more about guaranteeing sustainable, secure supplies of power well into the next century.

With gas on course to provide 50 to 70 per cent of supplies, North Sea reserves finite and remaining sources in, er, Russia, Algeria and Iran, should the "monoculture" on new gas-fired stations be retained? If the wholesale electricity trading market, the Pool, is to be abolished in 2000, is that enough to provide the level playing-field that coal wants (by enabling it to provide what is called base-load now defined by the nuclear industry)? Are Professor Littlechild's plans to force the once big two generators, National Power and PowerGen, to sell off under-used

coal-burning capacity at power stations enough? This, too, relates to the utilities review which may or may not be enshrined in legislation in the autumn Queen's Speech.

Plans to create Ofcom, to regulate phones and broadcasting have been dropped but that won't get Mr Mandelson off the hook a) of having to decide on BT's links with AT & T or other such giants or b) thinking hard and long about the regulation of telecommunications next century.

The Industry Secretary is also secretary for the social chapter. And that in practical terms means weaving a plausible garment from the opposition of business to restrictions on their freedom (for example being taken to industrial tribunals) and the desire of the unions to see European styles in the workplace.

**M**r Mandelson is MP for Hartlepool which town once again looks like being one of the first casualties of economic downturn. He was quick on the draw after Fujitsu announced the closure of their semiconductor plant up the road (in Tony Blair's constituency) in Newton Aycliffe. The North-east is to

get £100 million. But what is Mr Mandelson going to do when factories close in Workington and Wrexham: the Government is about to set up new regional development agencies which could easily start competing among themselves for inward investment. They, however, belong to John Prescott. Meanwhile Brussels is demanding a review of the map of the assisted areas with cuts in permissible grants in the offing. Under Margaret Beckett the DTI was outraged of SW1. Where does Mr M stand, sincere pro-European as he is?

He chairs the Cabinet sub-committee on preparing business for the introduction of the Euro next January. He has started making speeches — one the other day on making Britain "Europe's digital laboratory" — which sound as if he is convinced Britain should be a first-waver. Does he say that in Cabinet? And there's the headline legacy still (that's to say the mixed inheritance of the ex-defence secretary and ex-President of the Board of Trade): can Mr Mandelson push European aerospace and defence companies into greater consolidation in order to take on the Americans at the same time as Airbus is transformed into a fully-fledged private company?

Before the election things were clearer. Once macro-economic policy was adjusted to provide British business with stability it would get on with supply side measures, principally to do with improving the work force à la

Robert Reich (isn't it interesting to see his disillusionment after his spell as US Labor Secretary (4)?). But where does Rupert Murdoch's proposed takeover of Manchester United fit into that, let alone Mr Mandelson's self-inflicted wound in continuing to take political charge of the Dome project, relying on sponsors (Tesco among them) up before the Office of Fair Trading?

The party political answer is that Peter Mandelson has a limited supply of credit and ought to choose his battles carefully. Mr Gregarious lacks party friends. Gordon Brown wants to "do for competition policy what we have done for monetary policy" (5). Ideologically it is a position Peter Mandelson might himself favour but as projected recently by the Chancellor's clause it looks like a dig at the Trade Secretary; adding to the animosity between the two men. Tony Blair hates internal conflicts but — to put at its gentlest — the division of labour between No 11 and the DTI remains unclear. There is a view on the Labour side that Mr Mandelson has overreached himself taking a job which the coming recession is going to make horribly difficult to do with any grace. He's lucky, they say, Parliament isn't sitting; if he were not facing angry motions about Old Trafford plutocrats, he would have to explain in detail what he is going to do about factory closures on Tyne- and Wear-side.

Sources: (1) Jim Tomlinson, "Economic policy" in Brivati and Bales (eds) New Labour in Power, Routledge 1997; (2) Michael Dwyer and David Walker, The New British State, Times Books, 1995; (3) Peter Mandelson and Roger Liddle, The Blair Revolution, Faber 1996; (4) Robert Reich, Locked in the Cabinet, Vintage Books, 1998; (5) Financial Times 24 July 1998.

Graphics: Paddy Allen  
David Gow is the Guardian's industrial editor, Ewan MacAskill chief political correspondent and David Walker edits "Analysis"

### Twenty years of presidents

1978-1998: The Labour Party's performance in the last 20 years. The party has been in power for 12 years and out of power for 8 years. The party has won 10 general elections and lost 8. The party has been in power for 12 years and out of power for 8 years. The party has won 10 general elections and lost 8.



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Financial Editor: Alex Brummer  
Telephone: 0171-239-9610  
Fax: 0171-833-4466

# FinanceGuardian

## Leaders worldwide struggle with threat of recession Brazil's stand alarms IMF

Alex Brummer  
Financial Editor

**T**HE International Monetary Fund is warning that any large-scale request for assistance from Brazil could leave it with insufficient resources to deal with the world's other financial flashpoints.

Officials issued that warning in response to reports from Brasilia that the IMF and western industrial nations are prepared to provide some \$26 billion (\$15.5 billion) of credit to prevent a series of defaults in Latin America similar to

those which took place in 1982.

Statements from Brazil's finance minister, Pedro Malan, are seen as seeking to calm international nerves after the withdrawal of an estimated \$30 billion from the nation's currency reserves since the end of July.

The Brazilian economy has been particularly hard hit by the fallout from the collapse in Russia. The stock market has fallen by 29 per cent this year, the currency — the real — has come under pressure on the foreign exchange markets and domestic interest rates have risen to record levels. The prospect of IMF assistance lifted shares in

4.81 per cent in yesterday's trading, however.

Speaking in Brasilia, Mr Malan said: "This operation may make resources available to be drawn — if necessary — by countries that feel they have a need." He said that Brazil was not directly involved in the talks, which included the Inter-American Development Bank.

The IMF, which held crisis talks with Latin American countries in Washington last week, has said it is ready to provide any assistance necessary to the region.

However, officials in Washington dealing with the region are sceptical about the IMF's ability to raise the nec-

essary funds at time when international institutions have already committed some \$23 billion to propping up the Russian economy.

IMF officials pointed out that the \$26 billion referred to by Brazil would almost drain its resources. The Fund has an estimated \$10 billion readily available internally and could generate the rest by making an application to the General Arrangements to Borrow — the loan facility operated by the Group of Ten largest industrial countries — which was last used to bail out sterling in 1976.

Speaking in New York, Michel Camdessus, managing director of the IMF, said, how-

ever: "We have not received any request from Mr Malan". Mr Camdessus suggested that at present Brazil did not need the money. Until recently Brazil had strong reserves, estimated in April at \$70 billion.

Mr Camdessus agreed that the world's ninth-largest economy might eventually need financial help, however, but said that no negotiations had opened.

The IMF demonstrated by the speed with which it dealt with South Korea's problems in November 1997, and with Russia in July, that it is able to put together substantial rescue packages at short notice.

Brazil's chances of receiv-

ing a bail-out will be bolstered by its determination to take tough economic steps. It has already announced measures to shrink public spending and Mr Malan has vowed to preserve the value of the real. "We won't devalue. You won't see a maxi devaluation," he said.

A financial meltdown in Brazil could prove even more serious than that in Russia.

US banks are heavily exposed and any problem in the repayment of Brazilian debts could leave gaping holes in their income.

The biggest problem is seen to be the estimated \$30 billion short-term debt held in Brazil's money markets.

### Notebook

## Global funding is Starr struck



Edited by  
Alex Brummer

**I**T MAY seem preposterous but the point at which the Starr report and the potential collapse of the global economic system come together is in the House of Representatives. The IMF, as was reported here earlier this week, is desperately short of ready-to-use cash even though its shareholders have approved an increase.

The reason for the hold-up is that the unholy alliance of liberal Democrats, who dislike the IMF's philosophy and rightwing Republicans, who just dislike the IMF altogether, have been voting as a block to hold up the proposed \$18 billion contribution to the new capital increase and a fund for economic emergencies. All this as the situation in Latin America becomes worse — not helped by George Soros's apocalyptic meanderings and the Brazilian authorities' hint at seeking a loan of \$26 billion to deal with the region's problems.

The same House of Representatives which has thus far approved just \$3 billion of the requested \$18 billion capital increase (it has already won the approval of the Senate) also finds itself having to make vital judgments on the Starr report. It is in the House that impeachment charges are drawn up and in the Senate that they are tried. While President Clinton's political fate is uncertain, all the lobbying in the world from officials, whether they be Treasury Secretary Robert Rubin or even Fed chairman Alan Greenspan himself, will not move the debate about IMF funding along, if the political problems surrounding Clinton's future can be dealt with — through, for instance, a censure motion — then Congress might find the time to deal with the unfurling crisis in the global economy.

That the new victims of financial contagion are in Latin America ought, under normal circumstances, help in the Congress. Whereas Russia is in Europe's backyard Latin America is part of the US's strategic and financial responsibility.

Moreover, even rightwing Republicans are smart enough to realise that a slump in South America could do their own political prospects no good at all. If it means a flood of refugees and cheap Latin American goods sweeping across the borders, containing crisis in East Asia is one thing, containing a tide of people on the doorsteps and a return to protectionism is quite another.

The fact that contagion has moved to Latin America is in many ways the best way of ensuring that the roadblock on Capitol Hill is cleared. One would not have wished the current problem on Brazil — the world's ninth largest

economy — under any circumstances. But it is too important for even a politically skewed US House to be allowed to fail.

### Bank exposure

**T**HE ratings agency Fitch IBCA has been quick to point out that whatever the problems in Brazil, it is not another Russia. Brazil has been running a much tighter economic ship, under IMF surveillance, and this allowed it to build up some of the strongest foreign currency reserves in the world.

But, like Russia, Brazil also runs its economy using a great deal of short-term borrowing estimated currently at \$80 billion. Current thinking is that the role of foreigners in this market is limited. But again, as we learnt in Russia, this can be misleading because of the activities of the overseas banks in swaps, hedges and derivatives markets which gives them indirect exposure.

If Brazil does come unstuck, the betting is that JP Morgan, with some \$4 billion of exposure, and Credit Suisse First Boston could be among the first to take the hit.

### Kingfisher surge

**A**FTER a brief crisis in the mid-1990s, Kingfisher has not only recovered but has gone from strength to strength. The half-year results confirmed that B&Q is still powering ahead in the DIY market, Woolworth's steady progress is continuing, and the French electrical chain, Darty, has emerged from its local difficulties.

Superdrug is finding it predictably difficult to take on Boots in the health and beauty game, and life does not seem to get any easier for Comet. But these are the less important chains and are unlikely to dent the group's strong performance.

The most impressive aspect of Kingfisher over the past few years, however, is not obvious from these figures. It is the extent to which chief executive Sir Geoff Mulholy has managed to internationalise the group.

This should not be overstated. Kingfisher is still dominated by its UK operations and nowhere near as international as continental operators such as Makro, Anhold or Carrefour, or even the unfashionable and private C&A. But Darty is a sizeable leg of the business, and there is much more in Europe, there is now a presence in Germany, Belgium and the Netherlands, as well as Poland further east. And B&Q is dipping its toe in the Far East market with a few stores in Taiwan.

A deal with Castorama is the next move, which could create a truly international retail alliance. That will be a testament to Sir Geoff's patience and vision at a time when many UK retailers have been preoccupied with their domestic profitability, or impatient with the difficulty of acquiring family-owned continental companies.

## Greenspan rules out concerted rate cuts

Mark Tran in Washington and Mark Atkinson

**T**HE world's most powerful central bank yesterday dashed hopes that financial leaders are on the verge of co-ordinating global cuts in interest rates to avert a slump. In testimony to the House Banking Committee in Washington, Federal Reserve chairman Alan Greenspan and US Treasury Secretary Robert Rubin reassured nervous financial markets that central bankers and finance ministers from Europe, America and Japan were staying in close contact to find a solution to spreading global financial crisis.

But Mr Greenspan added: "I think I can safely say that at the moment there is no endeavour to co-ordinate interest rate cuts."

Expectations of a co-ordinated easing of monetary policy mounted after the Group of Seven leading industrialised nations — America, Japan, Germany, France, the UK, Italy and Canada — issued a statement on Monday saying that the stance of macroeconomic policy had shifted from fighting inflation to stimulating growth.

The statement was taken as a broad hint that the G7 was preparing to launch a concerted action to avert a world wide economic slump by cutting the cost of borrowing. Analysts say this would help prevent the financial contagion that has enveloped Asia and Russia, and is now spreading to Latin America, causing serious harm to the West.

Mr Greenspan emphasised that the central mandate of the Fed was to maintain the health of the US economy, which is continuing to grow relatively strongly. However, he added that the crisis abroad would have an impact on the US.

Wall Street surrendered earlier gains after the Fed chairman's remarks. But bonds rose as investors sought a safer haven for their cash.

Mr Greenspan's acknowledgment that the US was not an economic island was seen as leaving open the door to lower interest rates if the global financial crisis deepens to a crisis of confidence.

The widespread expectation that the next move in borrowing costs will be down was reinforced by a weekly survey from Macroeconomics Advisers, a St Louis forecasting firm, which showed that nine economists expect a Fed rate cut by mid-November and four expect one in the next six months.

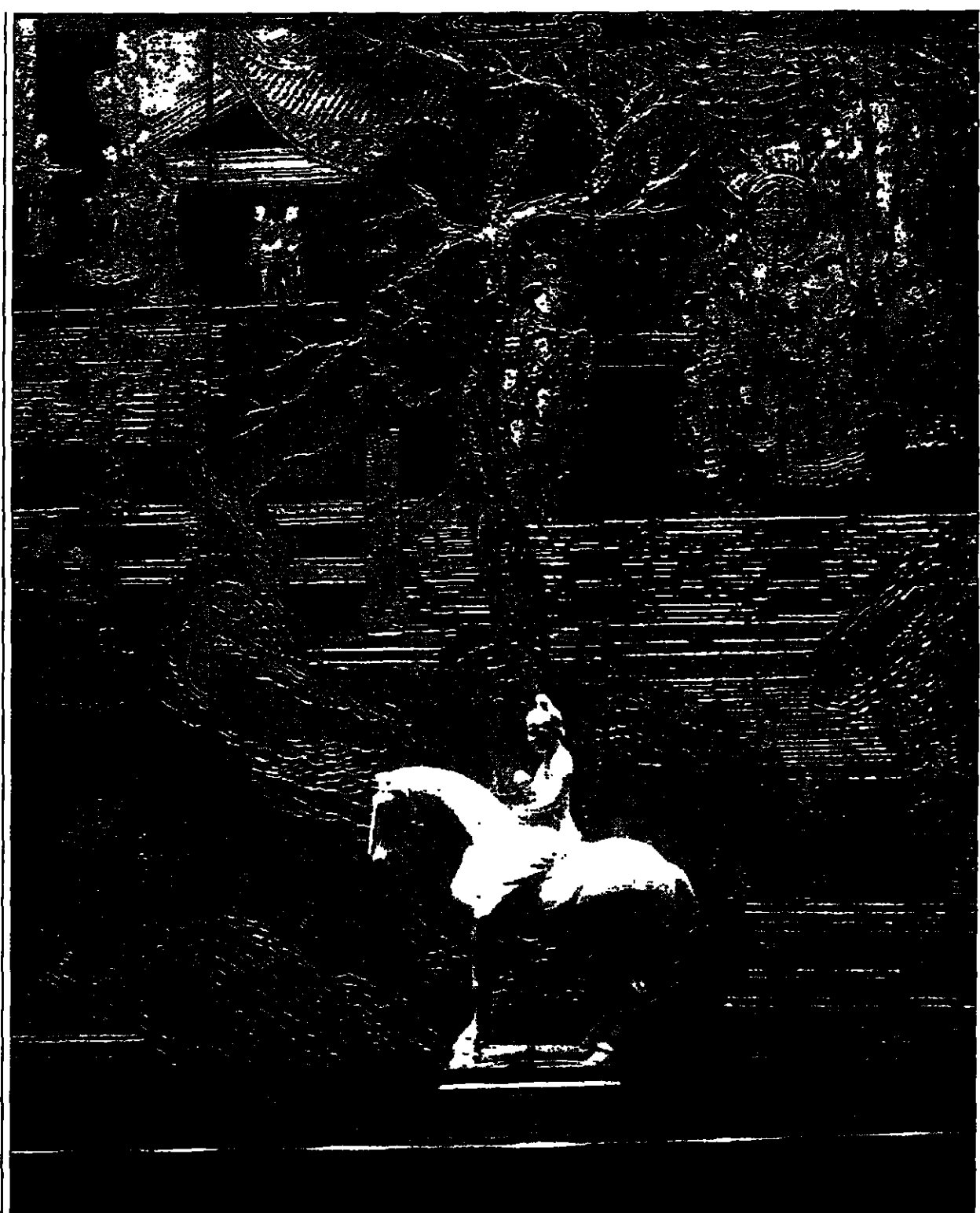
Mr Greenspan also offered support for the International Monetary Fund, which has been widely criticised for its role in bailing out the stricken Asian economies.

He said this was not the time to shut down the IMF for a fundamental overhaul. "It would be a serious mistake for Congress to adjourn this year without approving extra IMF funding," he said.

The IMF engineered multi-billion dollar bailouts last year for Indonesia, South Korea and Thailand to avert economic collapse. In July the fund assembled a rescue package of nearly \$23 billion for Russia, but market confidence evaporated.

Mr Greenspan said the IMF's response to the crisis was miscalculated in some cases. "I think they misread the depth of some of the really fundamental problems."

"But I think they learnt a great deal and I think it's quite important to distinguish at this particular stage whether or not we fund them... to try to resolve the existing crisis which we have, or basically to shut them down at this point and restructure them."



Exotic interior at the Mandarin. Even half-price suites could not avert the drop in turnover

PHOTOGRAPH: ALAN BUI

## Asian flu infects havens of luxury

Tom McGhie on hotels' heartbreak

**M**ANDARIN Oriental proved yesterday that even one of the poshest hotel chains in the world is not immune from economic and political upheavals.

The Hong Kong-based company's profits for the first six months of the year crashed

72 per cent to \$6.25 million as the group cut room prices to lure business and tourist trade.

Only 18 months ago, guests such as Lady Thatcher, Kevin Costner and the Princess of Wales were prepared to pay up to \$2,000 a night for a suite.

However, even after the price-cutting, luxury rooms are beyond the budgets of businessmen from elsewhere in Asia, whose countries have been forced to devalue currencies.

Ni-torn Indonesia proved a disaster for Mandarin Oriental, as it did for other hotel groups. Thailand and Singapore — two pockets of relative economic and political stability — did well.

Mandarin Oriental is not a solitary sufferer: the financial consultancy Arthur Andersen estimated yesterday that the global hotels market was operating at between 50 and 70 per cent of capacity.

### Hardest hit

% share of exports to Asia, 1996, from developing countries

Latin America	
Brazil	16.2
Chile	33.3
Peru	16.2
Africa	
Angola	11.2
Congo	24.7
Tanzania	30.4
Zambia	33.8

Former Soviet Union

Kazakhstan	12.6
Russia	10.2
Ukraine	7.7

Source: Trade & Development Report

## Bank in quandary as unemployment hits new low

Mark Atkinson  
Economics Correspondent

**T**HE Bank of England was given a conflicting set of signals on the economy yesterday with the release of figures showing unemployment falling sharply to a fresh 18-year low but wage inflation subsiding.

Although weaker wage growth suggested that it was safe to cut interest rates to head off the danger of a recession, the continued contraction of the debt queue cast doubt on whether cheaper borrowing costs were necessary.

City analysts concluded that rates would be left at

7.5 per cent for the time being. After a spike upwards in the spring, average earnings growth has declined for three months in a row, reaching 4.7 per cent in June, according to the Office for National Statistics.

Assuming productivity growth of 2 per cent, this is a whisker above the 4.5 per cent which the Bank sees as compatible with its 2.5 per cent inflation target.

The slowdown in earnings growth was driven by lower pay rises in the private sector, where the percentage increase dropped to 5.2 per cent from 5.7 per cent in the public sector, earnings were flat at 3.2 per cent.

With provisional figures for

July pointing to a further deceleration in wage growth, business leaders believe that interest rates could now safely be cut without endangering the Government's inflation target.

"Businesses will welcome these figures which, added to this week's drop in inflation, give the clearest signal yet to the Bank of England's Monetary Policy Committee that interest rates must now fall," said Dr Ian Peters, deputy director-general of the British Chambers of Commerce.

Analysts cautioned that a growing clamour for lower rates may go unheeded at Threadneedle Street for some time, however, because of continued growth in employ-

ment and ongoing falls in unemployment.

Between May and July, employment rose 70,000 compared to the previous three months, taking the total to a record high of 27,120,000, according to the Labour Force Survey.

The survey's measures of unemployment dropped 56,000 to 1,786,000, giving an unemployment rate of 6.2 per cent, and the claimant count registered a fall of 18,400 in August to 1,315,800 — its lowest since 1980.

Separate figures showed the public sector borrowing requirement at \$1.2 billion in August, keeping the Government on course for a budget surplus in 1998-9.

## Policy group split three ways over interest

**T**HE committee which sets interest rates at the Bank of England was split three ways at its crucial August meeting when it resolved against cutting borrowing costs, writes Mark Atkinson.

Leading dove DeAnne Julius called for an immediate cut. Cambridge professor William Butler argued for an increase, and the seven other members of the

Monetary Policy Committee voted for no change, according to minutes released yesterday.

Julius, former chief economist at British Airways, feared the slowdown in economic growth could steepen without cheaper borrowing costs.

Butler argued that inflation was forecast to be above the 2.5 per cent target throughout the next two years and would hit the target only at the very end of the period.

He felt inflation was likely to pick up once the dampening effects of the strength of the pound wore off and the Government's spending plans kicked in.

## UN highlights falling growth

Alex Brummer  
Financial Editor

**T**HE Asian crisis is more serious than any in the last three decades, wiping out some \$260 billion (\$155 billion) of global output and threatening a worldwide recession, the United Nations trade and development group Unctad says today.

The Unctad Trade and Development report asserts that this year growth among the developing countries will fall below that in the industrial countries for the first time with output across the emerging markets halved to 2.5 per cent.

It argues that Latin America is particularly vulnerable to the East Asian problem be-

cause some 10 per cent of the areas exports go the Pacific. Some African countries, including Tanzania and Zambia, are also being damaged as they send between a quarter and a third of their exports there.

The report makes the case for setting unilateral capital controls — of the kind imposed by Malaysia — when countries face speculative attacks on the foreign exchange and capital markets.

In a direct attack on the current conventional methods used by the Group of Seven industrialised nations and the International Monetary Fund to deal with financial crises, Unctad argues that the worst time to reform the system "is in the middle of crisis".

TOURIST RATES — BANK SELLS

Australia 2.73	Germany 2.74	Malaysia 6.37	Singapore 2.92
Austria 19.29	Greece 17.79	Malta 0.61	South Africa 5.98
Belgium 56.57	Hong Kong 12.58	Netherlands 3.94	Spain 232.12
Canada 2.445	India 71.11	Norway 12.22	Sweden 12.70
Cyprus 0.511	Ireland 1.088	Portugal 279.96	Switzerland 2.365
Denmark 10.52	Israel 6.43	Saudi Arabia 6.18	Turkey 446.360
Finland 8.444	Italy 2.725	USA 1.025	
France 9.171			

Supplied by Reuters (including rupee, shekel and mao/kw)

مكتبة الامير







## Racing

## Elshamms to lift Cup

## Graham Rock

**A**LEC Stewart's Elshamms, unlucky in running when fifth to Zallalyka in the French 1,000 Guineas, has not run since that Classic in May but is lightly raced and has more scope than most of her rivals in the Dubai Duty Free Cup at Newbury.

Had she enjoyed a clear run in the closing stages, Elshamms would have finished third at Longchamp. Previously she had run a close fourth behind Cloud Castle in the Nell Gwyn Stakes at Newmarket on good to soft ground and she should not be inconvenienced by any cut in the ground today.

Danish Rhapsody would have a chance on his good second to Muhiathir in the Hungerford Stakes over this course and distance last month but he flopped at Baden-Baden on his only subsequent outing, apparently because the turf had been overwatered, and he is probably best on a fast surface.

Andreyev can well when fourth to Tamarisk in the Stanley Leisure Sprint Cup and is not out of it, and neither is Kahal, although the Godolphin runner has not lived up to expectations this season.

Wixom would beat these at his best but he has been off

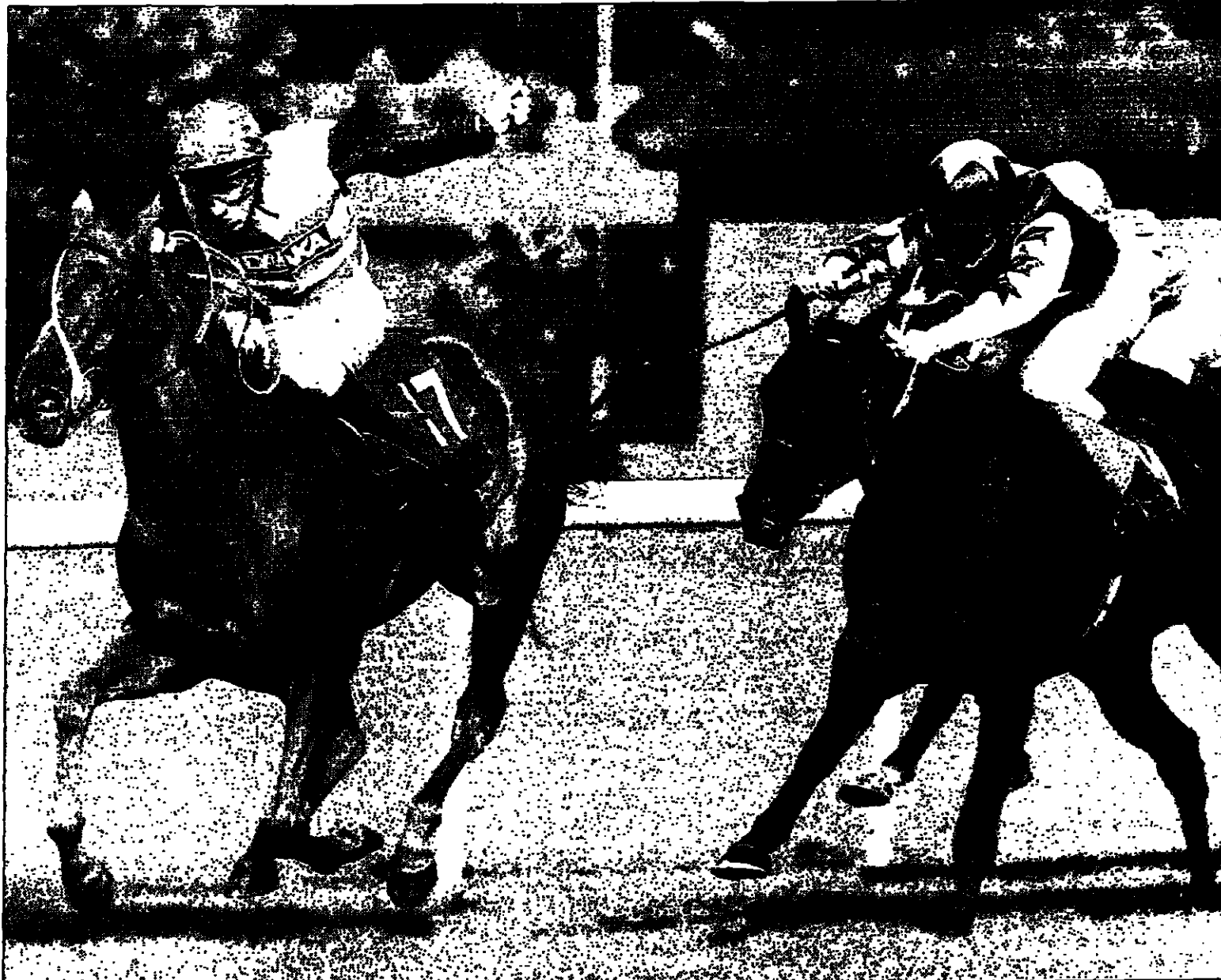
the course since last December and in an open race Elshamms (2.40) may prove best.

The 5lb Taipan (3.10) receives from Poldonas in the Doubleprint Arc Trial sways me in favour of John Dunlop's horse, despite his running below par at Royal Ascot and in the Coral-Eclipse. He is best judged on his first two runs of the season, when he was third behind Astarabad in both the Prix d'Harcourt and the Prix Ganay.

Poldonas beat Swain in the Hardwicke Stakes at the Royal meeting, but the runner-up was nowhere near his best on that occasion, and the form must not be taken literally. He is better judged on his narrow defeat of Sacho and The Fly in the John Porter Stakes over this course in April.

Richard Quinn is entrusted with the task of putting Bishop's Court's (3.40) head in front on the line in the Dubai Airport World Trophy. Lynda Ramsden's sprinter has to be held up for a late burst, and he can win judged on his close second to Easycall at Doncaster a week ago.

There is a slight doubt about Murghem (4.10) staying the two miles of the Tripleprint Handicap but if his stamina holds he is well treated on the overall balance of his form.



Shock success... 50-1 Sandown first La Paola helps boost the Tote Jackpot pool which is expected to reach £250,000 at Newbury today JULIAN HERBERT

## Mixed fortunes for Tote punters

## Graham Rock

**J**ASEUR is a surprise non-runner for the Tote Cesarewitch, and those who supported John Gosden's stayer ante-post will have lost their money, but Tote backers of La Paola at Sandown yesterday were more fortunate. The winner was returned at 50-1, but the Tote paid £382.20 for £1.

Brian Meehan's filly made all the running under Chris Rutter to beat Calceola and Golconda by a short-head and the same. Among those who showed blinding faith were her stable lasses, Amanda Meekins, who bet £1 each-way, and the successful owner, Poppino Battocchi, who had £3 on each-way.

Signor Battocchi, who runs the La Taverna restaurant in Windsor, was enjoying his first visit to the winner's enclosure since Ladon, trained by Richard Hannon, won in 1974.

While La Paola's Tote odds were generous, they were a long way short of the record win dividend. That was recorded in the first year of pool betting, 1929, when Coole won the fourth race at a Epsom-November meeting, and returned £3,411.25 for £1.

## Newbury Jackpot card with TV form guide

GRAHAM ROCK	TOP FORM
2.10	Regal Philosopher
2.40	Elshamms
3.10	Taipan
3.40	Bishop's Court
4.10	Murghem (cap)
4.40	Chover's Ministerial

Lat-hatched, 10/17 mths with 11 run-in and undulating straight mile. Good galloping track. Going: Good, Soft in places. \* Denotes blinkers.

Draw: High numbers best in 2.10.

Seven day winners: None.

Blindfolded first time, 40 Stakes, Windsor, 2.10. Elshamms.

Figures in brackets after horse's name denote days since last outing. Jumps.

2.10 RACING WELFARE CHARITIES, BRITISH SPORTING ART TRUST MAIDEN 2YO	1m 11.576 (23 declared)
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275 (1)	275 (1)
276 (1)	276 (1)
277 (1)	277 (1)
278 (1)	278 (1)
279 (1)	279 (1)
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288 (1)	288 (1)
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294 (1)	294 (1)
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296 (1)	296 (1)
297 (1)	297 (1)
298 (1)	298 (1)
299 (1)	299 (1)
300 (1)	300 (1)

Lat-hatched, 10/17 mths with 11 run-in and undulating straight mile. Good galloping track. Going: Good, Soft in places. \* Denotes blinkers.

Draw: High numbers best in 2.10.

Seven day winners: None.

Blindfolded first time, 40 Stakes, Windsor, 2.10. Elshamms.

Figures in brackets after horse's name denote days since last outing. Jumps.

2.40 DUBAI DUTY FREE CUP (SHOWCASE RACE)	1m 11.576 (23 declared)
191 (1)	191 (1)
192 (1)	192 (1)
193 (1)	193 (1)
194 (1)	194 (1)
195 (1)	195 (1)
196 (1)	196 (1)
197 (1)	197 (1)
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211 (1)	211 (1)
212 (1)	212 (1)
213 (1)	213 (1)
214 (1)	214 (1)
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216 (1)	216 (1)
217 (1)	217 (1)
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223 (1)	223 (1)
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226 (1)	226 (1)
227 (1)	227 (1)
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229 (1)	229 (1)
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275 (1)	275 (1)
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299 (1)	299 (1)
300 (1)	300 (1)

Lat-hatched, 10/17 mths with 11 run-in and undulating straight mile. Good galloping track. Going: Good, Soft in places. \* Denotes blinkers.

Draw: High numbers best in 2.10.

Seven day winners: None.

Blindfolded first time, 40 Stakes, Windsor, 2.10. Elshamms.

Figures in brackets after horse's name denote days since last outing. Jumps.

3.10 DOUBLEPRINT ARC TRIAL	1m 11.576 (23 declared)
191 (1)	191 (1)
192 (1)	192 (1)
193 (1)	193 (1)
194 (1)	194 (1)
195 (1)	195 (1)
196 (1)	196 (1)
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297 (1)	297 (1)
298 (1)	298 (1)
299 (1)	299 (1)
300 (1)	300 (1)

Lat-hatched, 10/17 mths with 11 run-in and undulating straight mile. Good galloping track. Going: Good, Soft in places. \* Denotes blinkers.

Draw: High numbers best in 2.10.

Seven day winners: None.

Blindfolded first time, 40 Stakes, Windsor, 2.10. Elshamms.

Figures in brackets after horse's name denote days since last outing. Jumps.

25	191 (1)	191 (1)
26	192 (1)	192 (1)
27	193 (1)	193 (1)
28	194 (1)	194 (1)
29	195 (1)	195 (1)
30	196 (1)	196 (1)
31	197 (1)	197 (1)
32	198 (1)	198 (1)
33	199 (1)	199 (1)
34	200 (1)	200 (1)
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37	203 (1)	203 (1)
38	204 (1)	204 (1)
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106	272 (1)	272 (1)
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129	295 (1)	295 (1)
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131	297 (1)	297 (1)
132	298 (1)	298 (1)
133	299 (1)	299 (1)
134	300 (1)	300 (1)
135	301 (1)	301 (1)
136	302 (1)	302 (1)
137	303 (1)	303 (1)
138	304 (1)	304 (1)
139	305 (1)	305 (1)
140	306 (1)	306 (1)
141	307 (1)	307 (1)
142	308 (1)	308 (1)
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146	312 (1)	312 (1)
147	313 (1)	313 (1)
148	314 (1)	314 (1)
149	315 (1)	315 (1)
150	316 (1)	316 (1)
151	317 (1)	317 (1)
152	318 (1)	318 (1)
153	319 (1)	319 (1)
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155	321 (1)	321 (1)
156	322 (1)	322 (1)
157	323 (1)	323 (1)
158	324 (1)	324 (1)
159	325 (1)	325 (1)
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161	327 (1)	327 (1)
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165	331 (1)	331 (1)
166	332 (1)	332 (1)
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371	537 (1)	537 (1)
372	538 (1)	538 (1)
373	539 (1)	539 (1)
374	540 (1)	540 (1)
375	541 (1)	541 (1)
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387	553 (1)	553 (1)
388	554 (1)	554 (1)
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397	563 (1)	563 (1)
398	564 (1)	564 (1)
399	565 (1)	565 (1)
400	566 (1)	566 (1)
401	567 (1)	567 (1)
402	568 (1)	568 (1)
403	569 (1)	569 (1)
404	570 (1)	570 (1)
405	571 (1)	571 (1)
406	572 (1)	572 (1)
407	573 (1)	573 (1)
408	574 (1)	574 (1)
409	575 (1)	575 (1)
410	576 (1)	576 (1)
411	577 (1)	577 (1)
412	578 (1)	578 (1)
413	579 (1)	579 (1)
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Shaw comes under the hammer, page 13

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## SportsGuardian

## Champions League

Group D: Manchester United 3 Barcelona 3

## Butt's hand mars Beckham's beauty

David Lacey sees United throw away victory at Old Trafford

**N**ICKY BUTT was sent off last night as Manchester United twice lost the lead to a Barcelona team that had gone in at half-time 2-0 down. A penalty helped the Catalan side to get back to 2-2 and although David Beckham's superb free-kick put United ahead once more a second penalty, given after Butt had handled a shot from Sonny Anderson and been shown the red card, enabled Luis Enrique to bring the scores level at 3-3.

Murdoch or no Murdoch, last night would always have found United again reaching for the sky. The chore of qualifying for the Champions League proper as Premier-ship runners-up had not been a problem but now they had to win to gain an early grip on what promised to be the tightest of the six groups.

There was something else. Barcelona's 4-0 rout of United at Nou Camp four years earlier was still a bitter memory. Now there was a chance for United to respond in kind.

From the start their movements were swift and wide. There was no question of keeping the game on ice while a pattern emerged.

In the opening seconds a mistake by Sergi let in Beckham on the right for a shot over the bar. Barcelona played with three at the back and Phillip Cocu patrolling the area just in front of the defenders. Nevertheless they struggled at the outset.

A goal so nearly arrived in the 10th minute after Beckham's searching cross from the right had found Ryan Giggs in space beyond the last defender. Giggs cut the ball back from the byline and Ole Gunnar Solisjaer would

surely have scored had not Michael Reiziger just managed to get a touch on it. Solisjaer's shot glanced off the bar from five yards.

Dwight Yorke then nodded the ball over the top after Giggs had thoroughly outwitted Luis Figo on the left and after 16 minutes the Welshman headed United in front.

Another sublime build-up of passes left Beckham in space on the right and his carefully-flighted centre found Giggs outjumping Luis Enrique to direct the ball past

From the start their movement was swift and wide with no question of keeping the game on ice

Ruud Hesp into the opposite corner of the net.

Midway through the first half Hesp fumbled a low cross from Gary Neville as Solisjaer moved in but just as the Norwegian seemed certain to score he was penalised for a foul on the goalkeeper — a harsh decision by the Italian referee.

Within two minutes, however, United increased their lead. Again Beckham was the instigator with another measured centre. This time the well-aimed bicycle shot which Hesp did remarkably well to parry. However the ball bounced off Luis Enrique and the predatory instincts of Paul Scholes enabled him to score from the rebound.

But just past the half-hour

an unforced error from Gary Neville nearly cost United a goal. Boudewijn Zenden was given a free cross from the left and amid the ensuing confusion Rivaldo beat Peter Schmeichel with a shot which took a deflection off Scholes. However, Barcelona's celebrations were cut short by an offside flag against Anderson, who was nothing of the sort.

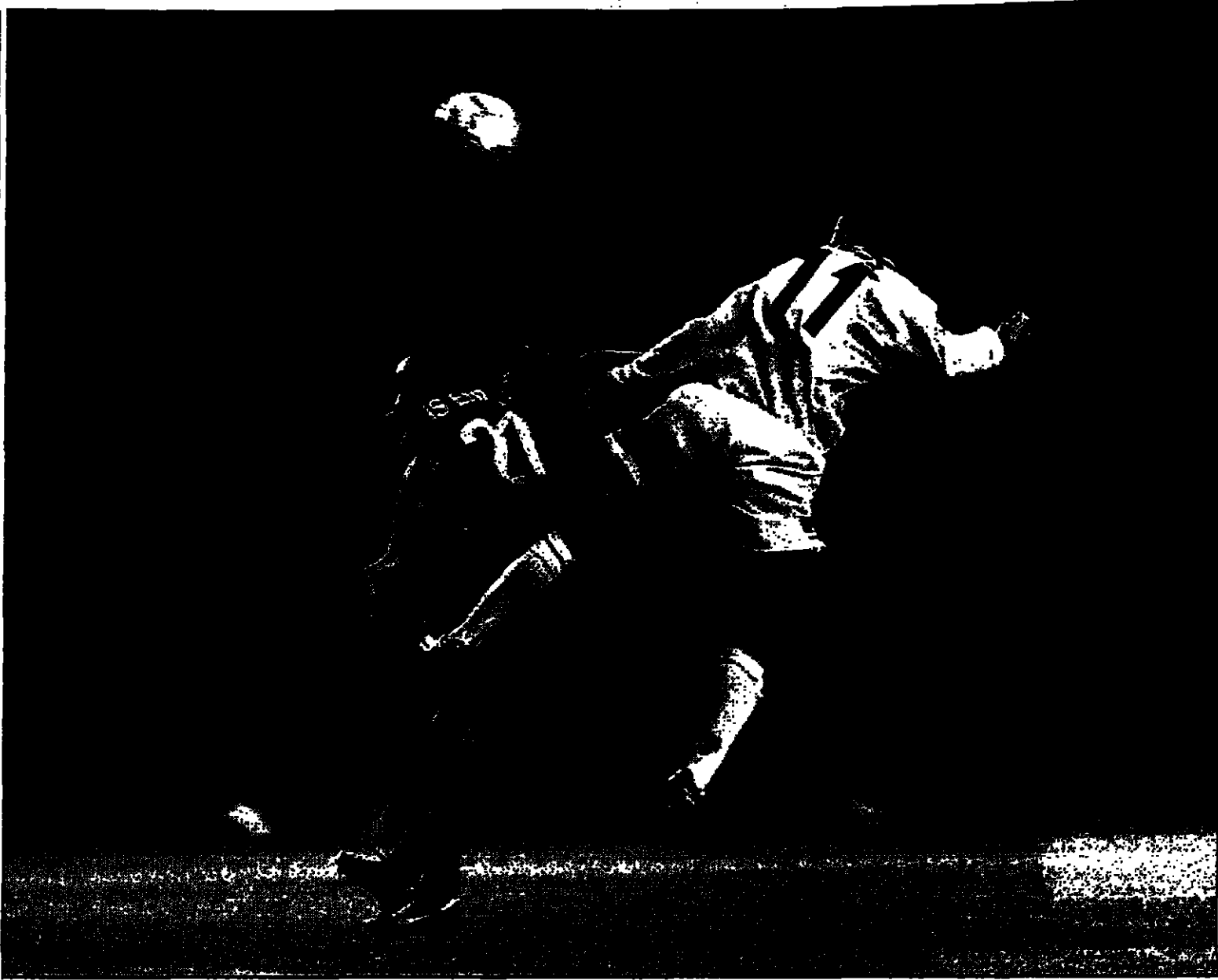
As half-time approached only a sharp save by Schmeichel denied Anderson a goal and Old Trafford needed little reminding of Barcelona's recovery at St James' Park a year earlier, when they had come from 3-0 down to lose 3-2.

In case anyone had actually forgotten, Anderson wasted no time in the second half joggling memories. As United's defenders dithered on their 10-yard line Rivaldo pushed the ball through to his fellow Brazilian, whose shot brooked no argument.

Now Barcelona began to find their true rhythm and threatened to control the second half. Midfield reinforcements were called for and Solisjaer gave way to Butt six minutes before the hour. But in the 88th minute Rivaldo went down under Jaap Stam's tackle, a penalty was given and Giovanni brought the scores level.

Five minutes more and Giovanni's foul on Yorke offered United an early chance to regain the lead. Hesp pranced about on his line as Beckham lined up the free-kick but the crowd knew where the ball was likely to go and Beckham did not disappoint them, finding the top near corner of the net in the fine, familiar manner.

**Manchester United (1-4-3-2):** Schmeichel; G. Neville, Stam, Berg, Irwin (P. Neville, 75min); Beckham, Kenna, Scholes, Giggs (Sonerovic, 94p); Yorke, Solisjaer (Butt, 84). **Barcelona (3-5-2):** Hesp; Reiziger, Abalo, Sergi, Luis Enrique, Giovanni (Davi, 88). Cocu, Rivaldo, Zenden; Luis Figo, Anderson. **Referee:** S. Braccioli (Italy).



High and mighty... Ryan Giggs rises above Luis Enrique to meet a David Beckham cross and put United ahead last night. PHOTOGRAPH: CLIVE BRUNSKILL

## We're not the champions

**T**HESE are the champions," intones the dirge of an anthem played at Champions League games these days. Not strictly true in this case.

"We're here 'cos we've won" was the chant from the United fans, sung with heroic gusto. Which is the future, the big teams not earning the right to compete at the top, but they're on a permanent open invitation.

And they don't come bigger than these two: the world's greatest football club owned by its 150,000 members spread across the planet, everywhere from Vegas to the Vatican, visiting the world's greatest football plc, soon to be owned by one man from Melbourne.

Mind you, there wasn't much slick or Continental about the weather, a wet Wednesday-in-January squall, apparently ordered in to freeze the blood of Fancy Dan opponents. And United's players too, fired up on the humiliation of '94, hit their rivals with a gusto generally reserved

for the kind of local derby deemed old fashioned in the new way of football thinking.

Indeed by half-time such was the scare they had inflicted on Barcelona, United's new owner would have been purring at the incremental value added to his new product. That is if he was aware that the game was taking place at all.

Kaiserslautern managed a 1-0 victory over Benfica on their Champions League debut when Martin Wagner scored a goal late in the first half. Wagner scored in the 41st minute of an evenly balanced match in which each team had its moments — Kaiserslautern more in the first half, Benfica in the second.

Benfica, beaten by Manchester United in the 1968 European Cup final, finished the match with 10 men after their defender Khalid Tahar was sent off for a desperately late tackle on Marco Reich.

Only three minutes into the Group F match, a header by Olaf Marschall,

one of Germany's most prolific scorers, was stopped by the Benfica goalkeeper Michael Freundhonne.

Kaiserslautern did not make much out of their early pressure and Benfica settled into a cautious game, waiting for the opportunity to strike from counter-attacks.

In the 32nd minute, Freundhonne made a diving save to deny Andreas Buck. The visitors had their best chance one minute later, when a deflected long-range shot by Jose Cardo forced Kaiserslautern goalkeeper Andreas Reinke to punch the ball over the bar.

Four minutes before half time, Wagner fed Marian Hristov on the edge of Benfica's area, Hristov headed back to Wagner, who drove home a low volley inside the post.

In Brussels the Belgian strugglers Anderlecht were jeered off their own pitch after losing 2-0 to the Swiss champions Grasshopper in a Uefa Cup first-round, first-leg match.

After a quiet first half

Alexandre Comisetti opened the scoring for the visitors in the 52nd minute with a powerful header from a corner taken by Antonio Espósito.

A minute later the Anderlecht defender Stephane Stassin cleared a Patrick de Napoli effort off the line as Grasshopper kept up the pressure.

The Swiss grabbed an important second goal four minutes from time when the Israeli substitute Avraham Tikva lifted the ball over Anderlecht's Belgian international goalkeeper Filip De Wilde.

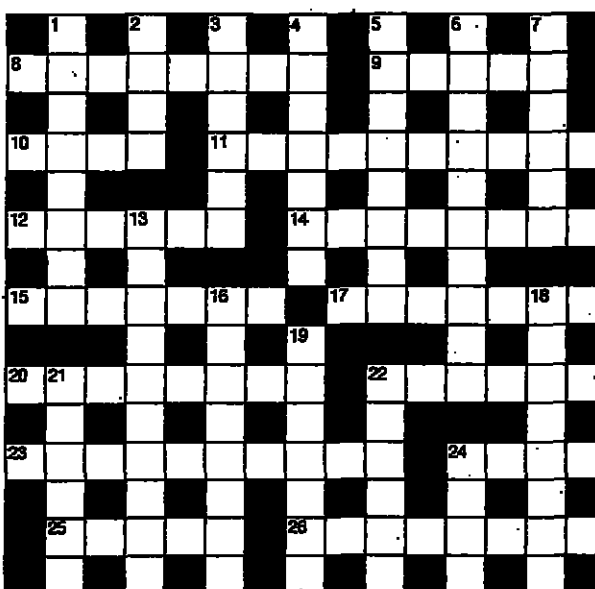
Anderlecht have made an appalling start to the season.

Before last weekend's 3-0 victory at Germinal Ekren they had failed to win any of their first five league games, a run which saw them slump to the bottom of the table for the first time in their history.

The 1983 Uefa Cup winners rarely threatened against Grasshoppers, coming closest when Bart Goor hit the woodwork midway in the second half.

## Guardian Crossword No 21,382

Set by Mercury



## Across

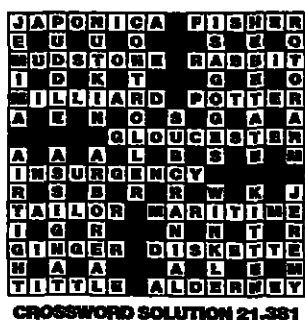
- 8,9 Army bridge decoration (8,5)  
10 A cold man's pain (4)  
11 In fear ran and staggered everywhere (3,3,4)  
12 Promise to put a little money on the shelf (6)  
14 Hidden by loose stones backward animals live here (8)

- 15,17 In a hurry ironed it for me, but not properly (7,3,4)  
20 Knowing old man by the way he catches insects? (3,5)  
22 A shoot on Black's farm in America (6)  
23 At No. 500 woven cane gate (10)  
24 Waves on reaching motorway junction (4)

- 25 Bird seen in one Greta's Green pet shop (5)  
26 Sick and in love is somewhere in America (8)

## Down

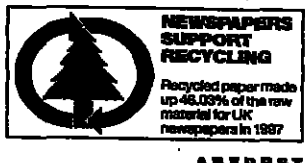
- 1,21 Should be read by everyone getting round a landlord? (8,6)  
2 Longs to speak of the dimensions (4)  
3 Puzzle bachelor with unholy pillow (6)  
4 Caddy vacantly takes iron for wood (7)  
5 Suggested plan for one car is revised (6)  
6 To aim to get one with a group in it is a bloomer (10)  
7 See spinning top in flight (6)  
13 Seems to follow a man climbing, then vanishes (10)  
16 Divorcee exercises with new diet, needing to hurry (8)  
18 Garage worker takes chaps tea in (one cold) (8)  
19 Raising it in foreign money is mad (7)  
21 See 1  
22 Sugar producer wants the foreign car (6)  
24 Boy taking the midnight air (4)



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